

CRAVATH, SWAINE & MOORE

ONE CHASE MANHATTAN PLAZA

NEW YORK, N. Y. 10005

RALPH L. McAFEE
HENRY W. DEKOSMIAN
ALLEN F. MAULSBY
STEWART R. BROSS, JR.
HENRY P. RIORDAN
JOHN R. HUPPER
SAMUEL C. BUTLER
WILLIAM J. SCHRENK, JR.
BENJAMIN F. CRANE
FRANCIS F. RANDOLPH, JR.
JOHN F. HUNT
GEORGE J. GILLESPIE, III
RICHARD S. SIMMONS
WAYNE E. CHAPMAN
THOMAS D. BARR
MELVIN L. BEDRICK
GEORGE T. LOWY
ROBERT ROSENMAN
JAMES H. DUFFY
ALAN J. HRUSKA
JOHN E. YOUNG
JAMES M. EDWARDS
DAVID G. ORMSBY
DAVID L. SCHWARTZ
RICHARD J. HIEGEL

FREDERICK A. O. SCHWARZ, JR.
CHRISTINE BESHAR
ROBERT S. RIFKIND
DAVID BOIES
DAVID O. BROWNWOOD
PAUL M. DODYK
RICHARD M. ALLEN
THOMAS R. BROME
ROBERT D. JOFFE
ROBERT F. MULLEN
ALLEN FINKELSON
RONALD S. ROLFE
JOSEPH R. SAHID
PAUL C. SAUNDERS
MARTIN L. SENZEL
DOUGLAS D. BROADWATER
ALAN C. STEPHENSON
RICHARD L. HOFFMAN
JOSEPH A. MULLINS
MAX R. SHULMAN
WILLIAM P. DICKEY
STUART W. GOLD
JOHN W. WHITMAN
JOHN HIGERBOWER

212 HANOVER 2-3000

TELEX

RCA 233663
WUD 125547
WUI 620976

CABLE ADDRESSES

CRAVATH, N. Y.
CRAVATH, PARIS
CRAVATH, LONDON E. C. 2

No. 0-29-5-1000

Date OCT 20 1980

Fee \$ 100.00

ICC Washington, D. C.

12325

RECORDATION NO. 12325 Filed 1425

OCT 20 1980 -2 15 PM

INTERSTATE COMMERCE COMMISSION

COUNSEL
MAURICE T. MOORE
CARLYLE E. MAW

ROSWELL L. GILPATRICK
ALBERT R. CONNELLY
L. R. BRESLIN, JR.
GEORGE B. TURNER
FRANK H. DETWEILER
GEORGE G. TYLER
JOHN H. MORSE
HAROLD R. MEDINA, JR.
CHARLES R. LINTON
WILLIAM B. MARSHALL
ROYALL VICTOR
ALLEN H. MERRILL

4, PLACE DE LA CONCORDE
75008 PARIS, FRANCE
TELEPHONE: 265-61-54
TELEX: 290530

33 THROGMORTON STREET
LONDON, EC2N 2BR, ENGLAND
TELEPHONE 1-606-1421
TELEX: 8814901

OCT 20 1980 -2 15 PM

12325 INTERSTATE COMMERCE COMMISSION

RECORDATION NO. 12325 Filed 1425

OCT 20 1980 -2 15 PM

North American Car Corporation
Lease Financing Dated as of August 1, 1980
INTERSTATE COMMERCE COMMISSION
Equipment Trust Certificates Due November 1, 1992

October 20, 1980

Dear Ms. Mergenovich:

Pursuant to 49 U.S.C. § 11303 and the Commission's rules and regulations thereunder, as amended, I enclose herewith on behalf of North American Car Corporation for filing and recordation counterparts of the following documents:

(1) Equipment Trust Agreement dated as of August 1, 1980, between Continental Illinois National Bank and Trust Company of Chicago, as Trustee, and AmeriGas, Inc.

(2) (a) Lease of Railroad Equipment dated as of August 1, 1980, between North American Car Corporation and AmeriGas, Inc.; and

(b) Assignment of Lease and Agreement dated as of August 1, 1980, between AmeriGas, Inc., and Continental Illinois National Bank and Trust Company of Chicago, as Trustee.

OCT 20 1980
RECORDATION BR.

Joseph P. Bontrian

The names and addresses of the parties to the
aforementioned documents are as follows:

(1) Owner:

AmeriGas, Inc.,
460 North Gulph Road,
(P. O. Box 858),
Valley Forge, Pennsylvania 19482.

(2) Trustee:

Continental Illinois National Bank
and Trust Company of Chicago,
30 North LaSalle Street,
Chicago, Illinois 60693.

(3) Lessee:

North American Car Corporation,
222 South Riverside Plaza,
Chicago, Illinois 60606.

Please file and record the documents referred to
in this letter and index them under the names of the Owner,
the Trustee and the Lessee.

The equipment covered by the aforementioned documents consists of 205 100-ton, 4,750 cu.ft. capacity covered hopper cars, AAR Mechanical Designation LO, bearing Serial Numbers 483249-483453, both inclusive, and also bears the legend "Ownership Subject to an Equipment Trust or Security Agreement and/or Vested in a Trustee or Other Person or Entity as Set Forth in a Bailment Agreement or Lease Filed with the Interstate Commerce Commission".

There is also enclosed a check for \$100 payable to the Interstate Commerce Commission, representing the fee for recording the Equipment Trust Agreement and the Lease of Railroad Equipment and related Assignment of Lease and Agreement (together constituting one document).

Please stamp all counterparts of the enclosed documents with your official recording stamp. You will wish to retain one copy of the instruments for your files. It is

requested that the remaining counterparts be delivered to the bearer of this letter.

Very truly yours,

Laurance V. Goodrich
Laurance V. Goodrich
As Agent for
North American Car
Corporation

Agatha L. Mergenovich, Secretary,
Interstate Commerce Commission,
Washington, D. C. 20423

Encls.

Interstate Commerce Commission
Washington, D.C. 20423

10/20/80

OFFICE OF THE SECRETARY

Laurance V. Goodrich
Cravath, Swaine & Moore
One Chase Manhattan Plaza
New York, N.Y. 10005

Dear **Sir:**

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on **10/20/80** at **2:15pm**, and assigned re-recording number(s). **12325, 12325-A & 12325-B**

Sincerely yours,

Agatha L. Mergenovich
Agatha L. Mergenovich
Secretary

Enclosure(s)

12325

RECORDATION NO. Filed 1428

OCT 20 1980 -2 15 PM

INTERSTATE COMMERCE COMMISSION

[CS&M Ref. 1413-020]

EQUIPMENT TRUST

North American Car Corporation Lease

EQUIPMENT TRUST AGREEMENT

Between

CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY
OF CHICAGO,
Trustee

and

AMERIGAS, INC.,
Owner

Dated as of August 1, 1980

12-7/8% Equipment Trust Certificates,
Due November 1, 1992,
Secured by North American Car Corporation Lease 1980-II

EQUIPMENT TRUST AGREEMENT

TABLE OF CONTENTS*

*This Table of Contents has been included in this document for convenience only and does not form a part of, or affect any construction or interpretation of, this document.

	<u>Page</u>
PARTIES	ET-1
PREAMBLES	ET-1
ARTICLE ONE. DEFINITIONS	ET-1
SECTION 1.01. Definitions	ET-1
ARTICLE TWO. TRUST CERTIFICATES AND ISSUANCE THEREOF	ET-5
SECTION 2.01. Issuance of Trust Certificates	ET-5
SECTION 2.02. Interests Represented by Trust Certificates; Interest; Maturity ..	ET-6
SECTION 2.03. Form of Trust Certificates	ET-7
SECTION 2.04. Execution by Trustee	ET-7
SECTION 2.05. Characteristics of Trust Certificates	ET-7
SECTION 2.06. Replacement of Lost Trust Certificates	ET-9
ARTICLE THREE. ACQUISITION OF TRUST EQUIPMENT BY TRUSTEE; DEPOSITED CASH	ET-9
SECTION 3.01. Acquisition of Equipment by Trustee	ET-9
SECTION 3.02. Payment of Deposited Cash	ET-10
SECTION 3.03. Payment of Deficiency	ET-11

	<u>Page</u>
SECTION 3.04. Supporting Papers	ET-11
SECTION 3.05. Absence of Title Encumbrances	ET-12
ARTICLE FOUR. LEASE OF TRUST EQUIPMENT TO THE OWNER	ET-12
SECTION 4.01. Lease of Trust Equipment	ET-12
SECTION 4.02. Equipment Automatically Subjected ...	ET-12
SECTION 4.03. Rental Payments	ET-12
SECTION 4.04. Termination of Trust and Lease	ET-15
SECTION 4.05. Marking of Trust Equipment	ET-16
SECTION 4.06. Maintenance of Trust Equipment; Casualty Occurrences	ET-16
SECTION 4.07. Possession of Trust Equipment	ET-18
SECTION 4.08. Indemnity	ET-19
SECTION 4.09. Compliance with Laws and Rules	ET-21
SECTION 4.10. Taxes	ET-21
ARTICLE FIVE. EVENTS OF DEFAULT AND REMEDIES	ET-23
SECTION 5.01. Events of Default	ET-23
SECTION 5.02. Remedies	ET-26
SECTION 5.03. Application of Proceeds	ET-28
SECTION 5.04. Waivers of Default	ET-28
SECTION 5.05. Obligations of the Owner Not Affected by Remedies	ET-29
SECTION 5.06. The Owner To Deliver Trust Equipment to Trustee	ET-30
SECTION 5.07. Trustee to Give Notice of Default ...	ET-30
SECTION 5.08. Control by Holders of Trust Certificates	ET-30

	<u>Page</u>
SECTION 5.09. Remedies Cumulative; Subject to Mandatory Requirements of Law	ET-31
ARTICLE SIX. ADDITIONAL COVENANTS AND AGREEMENTS BY THE OWNER	ET-31
SECTION 6.01. Discharge of Liens	ET-31
SECTION 6.02. Recording	ET-32
SECTION 6.03. Further Assurances	ET-33
ARTICLE SEVEN. CONCERNING THE HOLDERS OF TRUST CERTIFICATES	ET-33
SECTION 7.01. Evidence of Action Taken by Holders of Trust Certificates	ET-33
SECTION 7.02. Proof of Execution of Instruments and of Holding of Trust Certificates ..	ET-34
SECTION 7.03. Trust Certificates Owned by the Owner or the Lessee	ET-34
SECTION 7.04. Right of Revocation of Action Taken	ET-35
ARTICLE EIGHT. THE TRUSTEE	ET-35
SECTION 8.01. Acceptance of Trust	ET-35
SECTION 8.02. Duties and Responsibilities of the Trustee	ET-35
SECTION 8.03. Application of Rentals	ET-37
SECTION 8.04. Funds May Be Held by Trustee	ET-38
SECTION 8.05. Trustee Not Liable for Delivery Delays or Defects in Equipment or Title; Discharge of Liens	ET-39
SECTION 8.06. Resignation and Removal; Appointment of Successor Trustee	ET-40
SECTION 8.07. Acceptance of Appointment by Successor Trustee	ET-41

	<u>Page</u>
SECTION 8.08. Merger of Consolidation of Trustee ..	ET-42
SECTION 8.09 Additional Trustees	ET-42
ARTICLE NINE. MISCELLANEOUS	ET-44
SECTION 9.01. Rights Confined to Parties and Holders	ET-44
SECTION 9.02. Amendment or Waiver	ET-44
SECTION 9.03. Binding upon Assigns	ET-45
SECTION 9.04. Notice	ET-46
SECTION 9.05. Satisfaction of Obligations	ET-46
SECTION 9.06. Effect of Headings	ET-46
SECTION 9.07. Date Executed	ET-46
SECTION 9.08. Law Governing	ET-47
TESTIMONIUM	ET-47
SIGNATURES	ET-47
ACKNOWLEDGMENTS	ET-48
SCHEDULE A Equipment Table	ET-49
SCHEDULE B Form of Trust Certificates	ET-50
SCHEDULE C Amortization Table	ET-53

EQUIPMENT TRUST AGREEMENT dated as of August 1, 1980, between CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO ("Trustee") and AMERIGAS, INC., a Pennsylvania corporation ("Owner").

12-7/8% Equipment Trust Certificates, Due November 1, 1992, secured by North American Car Corporation Lease 1980-II, are to be issued and sold in an aggregate principal amount not exceeding \$6,602,018 and the proceeds of such sale are to be deposited in trust with the Trustee and are to constitute a fund to be known as "Equipment Trust, North American Car Corporation Lease 1980-II", to be applied by the Trustee in payment of a portion of the cost of the Trust Equipment (as hereinafter defined), the remainder of the cost thereof to be paid by the Owner as provided herein.

A security interest in the Trust Equipment is to be vested in and is to be retained by the Trustee as security for the obligations of the Owner hereunder until such obligations are performed.

The Owner is entering into a Lease pursuant to which the Owner will lease the Trust Equipment to the Lessee thereunder.

The Lease is being assigned by the Owner to the Trustee as security for the obligations of the Owner hereunder pursuant to a Lease Assignment.

It is desired to secure to the holders of the Trust Certificates the payment of the principal thereof with interest thereon, as hereinafter provided.

NOW, THEREFORE, in consideration of the mutual covenants and promises herein contained, the parties hereto hereby agree as follows:

ARTICLE ONE

Definitions

SECTION 1.01. Definitions. The following terms (except as otherwise expressly provided or unless the

context otherwise requires) for all purposes of this Agreement shall have the respective meanings hereinafter specified.

Affiliate of any corporation shall mean any corporation which, directly or indirectly, controls or is controlled by, or is under common control with, such corporation. For the purposes of this definition, control (including controlled by and under common control with), as used with respect to any corporation, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such corporation, whether through the ownership of voting securities or by contract or otherwise.

Applicable Laws shall have the meaning ascribed to it in § 9 of the Lease.

Builder shall mean the manufacturer of the Equipment.

Business Day shall mean any calendar day, excluding Saturday, Sunday and legal holidays or days on which banking institutions are authorized by law to be closed in Chicago, Illinois, or Philadelphia, Pennsylvania.

Casualty Occurrence shall have the meaning ascribed to it in § 7 of the Lease.

Closing Date shall mean the Closing Date as defined in Paragraph 2 of the Participation Agreement.

Consent shall mean the Consent and Agreement dated as of the date hereof, executed by the Lessee, substantially in the form attached to the Lease Assignment.

Corporate Trust Office shall mean the principal office of the Trustee in the State of Illinois, city of Chicago, at which the corporate trust business of the Trustee shall, at the time in question, be administered, which office is, on the date of execution of this Agreement, located at 30 North La Salle Street, Chicago, Illinois 60693, Attention of Corporate Trust Department.

Deposited Cash shall mean the proceeds from the sale of the Trust Certificates deposited with the Trustee pursuant to Section 2.01.

Equipment shall mean the railroad rolling stock described in Schedule A hereto and any other new covered hopper cars with comparable specifications in lieu thereof or in addition thereto subject to this Agreement as provided in Section 3.01, and any accession thereto title to which is in the Owner pursuant to § 9 of the Lease.

Event of Default shall mean any event specified in Section 5.01 to be an Event of Default.

The word holder or holders, when used with respect to Trust Certificates, shall include the plural as well as the singular number and shall mean the person in whose name such Trust Certificate is registered.

Indemnified Matters shall have the meaning ascribed to it in § 9 of the Lease.

Investment Securities shall mean (a) bonds, notes or other direct obligations of the United States of America or obligations for which the full faith and credit of the United States is pledged to provide for the payment of the interest and principal, (b) certificates of deposit or time deposits with a maturity of one year or less in banks or trust companies (including the Trustee) incorporated and doing business under the laws of the United States of America or one of the states thereof having a capital and surplus aggregating at least \$100,000,000 and (c) commercial paper rated A-1 by Standard & Poor's Corporation or prime-1 or better by NCO/Moody's Commercial Paper Division of Moody's Investors Service, Inc., or the successor to either of them.

Lease shall mean the Lease of Railroad Equipment dated as of the date hereof, between the Owner and the Lessee, substantially in the form of Annex I hereto, as the same may be supplemented or amended as contemplated hereby or thereby.

Lessee shall mean North American Car Corporation,

a Delaware corporation.

Lease Assignment shall mean the Assignment of Lease and Agreement dated as of the date hereof, between the Owner and the Trustee, substantially in the form of Annex II hereto.

Maximum Purchase Price of the Equipment shall be \$9,723,150.

Officer's Certificate shall mean a certificate signed by the President, a Vice President or an authorized officer of the Lessee or the Owner, as the case may be.

Opinion of Counsel shall mean an opinion in writing signed by legal counsel reasonably satisfactory to the Trustee and who may be counsel for the Lessee or the Owner. The acceptance by the Trustee of, together with its action on, an Opinion of Counsel shall be sufficient evidence that such counsel is satisfactory to the Trustee.

Owner shall mean AmeriGas, Inc., a Pennsylvania corporation.

Participation Agreement shall mean the Participation Agreement dated as of the date hereof, among the Lessee, the Owner and the Purchasers.

Purchasers shall mean Aetna Life Insurance Company and The Aetna Casualty and Surety Company and their respective successors and assigns.

Purchase Price of a unit of Equipment shall be \$47,430 (consisting of \$45,960 payable to the Lessee and \$1,470 payable to Butcher & Singer Inc.) unless otherwise agreed to by the Owner and the Lessee.

Request shall mean a written request for the action therein specified, delivered to the Trustee, dated not more than 10 days prior to the date of delivery thereof to the Trustee and signed on behalf of the Lessee or the Owner by the President, a Vice President or an authorized officer of the Lessee or the Owner, as the case may be.

Taxes shall have the meaning ascribed to it in § 6 of the Lease.

Trust Certificates shall include the singular as well as the plural number and shall mean 12-7/8% Equipment Trust Certificates, Due November 1, 1992, issued hereunder.

Trust Equipment shall mean all Equipment subject to the terms of this Agreement.

Trustee shall mean Continental Illinois National Bank and Trust Company of Chicago, and, subject to the provisions of Article Eight, any successor as trustee hereunder.

The words herein, hereof, hereby, hereto, hereunder and words of similar import refer to this Agreement as a whole and not to any particular Article, Section, paragraph or subdivision hereof; and all references to numbered Articles, Sections, paragraphs and subdivisions, unless the context otherwise requires or unless the references thereto specify another agreement, refer to such Articles, Sections, paragraphs and subdivisions of this Agreement. Unless otherwise specifically stated, all amounts expressed in dollars shall mean United States of America dollars.

ARTICLE TWO

Trust Certificates and Issuance Thereof

SECTION 2.01. Issuance of Trust Certificates. On the Closing Date the Trustee shall issue and deliver Trust Certificates in such aggregate principal amounts as the Owner shall direct by Request, upon the deposit with the Trustee of an amount in cash equal to such aggregate principal amount of Trust Certificates to be issued and delivered. The aggregate principal amount of Trust Certificates which shall be executed and delivered by the Trustee under this Section shall not exceed the sum of U.S.\$6,602,018, and the aggregate principal amount represented by all the Trust Certificates shall be payable as hereinafter set forth.

SECTION 2.02. Interests Represented by Trust Certificates; Interest; Maturity. Each of the Trust Certificates shall represent an interest in the amount therein specified in the Trust created hereunder.

Subject to the provisions of Sections 3.01 and 4.06 providing for the reduction of installments of principal due after prepayments, the Trust Certificates shall be payable as follows: interest only shall be payable on November 1, 1980; thereafter, principal and interest payments shall be made in 24 consecutive semiannual installments on May 1 and November 1 in each year commencing May 1, 1981, calculated so that the amount of principal and interest payable on each such date shall be substantially in proportion to the amount of principal and interest set forth in respect of such date in Schedule C hereto and such installments of the principal shall completely amortize the principal amount of the Trust Certificates. The Trustee shall furnish to each holder of Trust Certificates at the time of issuance thereof a schedule showing the payments of principal and interest to be made thereon.

Interest on the Trust Certificates shall be calculated on the basis of a 360-day year of 12 30-day months.

The principal of and interest on the Trust Certificates shall be payable at the Corporate Trust Office in such coin or currency of the United States of America as, at the time of payment, shall be legal tender for the payment of public and private debts, but only from and out of rentals or other moneys received by the Trustee and applicable to such payment under the provisions hereof. Notwithstanding the provisions of the preceding sentence as to the place of payment, in the case of payments of principal and interest to be made on a Trust Certificate not then to be paid in full, upon request and deposit of an agreement of the holder of such Trust Certificate obligating such holder, prior to any transfer or other disposition thereof, to surrender the same to the Trustee for notation thereon of the installments of principal amount represented thereby theretofore paid in whole or in part, the Trustee will mail its check on the date each such payment is due to such registered holder at his address shown on the registry books maintained by the Trustee; provided, however, that, in the case of a Purchaser, its undertaking contained

in Paragraph 10 of the Participation Agreement shall constitute the agreement referred to above and the Trustee shall make payments of principal and interest to such Purchaser, and to any other purchaser approved by the Owner, by wire transfer of immediately available funds (to the extent such funds are available to the Trustee under the Lease or otherwise) at a "home office" address which address in the case of the Purchasers shall be as set forth in Annex I to the Participation Agreement and, in the case of a subsequent address of a Purchaser or any address of another holder of Trust Certificates, to such address as may be furnished to the Trustee in writing by such Purchaser or such other holder. Each payment of principal and interest made by check or wire transfer at the "home office" address of a holder of Trust Certificates shall be identified as: "Payment of principal of [and/or interest on] 12-7/8% Equipment Trust Certificates, Due November 1, 1992, Secured by North American Car Corporation Lease 1980-II."

SECTION 2.03. Form of Trust Certificates. The Trust Certificates shall be in substantially the form annexed hereto as Schedule B.

SECTION 2.04. Execution by Trustee. The Trust Certificates shall be signed in the name and on behalf of the Trustee by the manual or facsimile signature of the President or any Vice President of the Trustee and its seal or a facsimile thereof shall be affixed or imprinted thereon and attested by the manual signature of one of its Trust Officers. In case any officer of the Trustee whose signature, whether facsimile or not, shall appear on any of the Trust Certificates shall cease to be such officer of the Trustee before the Trust Certificates shall have been issued and delivered by the Trustee or shall not have been acting in such capacity on the date of the Trust Certificates, such Trust Certificates may be adopted by the Trustee and be issued and delivered as though such person had not ceased to be or had then been such officer of the Trustee.

SECTION 2.05. Characteristics of Trust Certificates. (a) The Trust Certificates shall be registered, as to both principal and interest, in the name of the holders; shall be transferable in whole or in part and exchangeable for Trust Certificates of other denominations of equal

aggregate outstanding principal amount upon presentation and surrender thereof for registration of transfer or exchange at the Corporate Trust Office, accompanied, in the case of transfer, by appropriate instruments of assignment and transfer, duly executed by the registered holder of the surrendered Trust Certificate or Certificates or by its duly authorized attorney in fact, in form satisfactory to the Trustee; shall, in connection with the initial issuance of Trust Certificates, be dated as of the date of issue and shall, in connection with Trust Certificates issued in exchange for or upon registration of transfer of another Trust Certificate or Certificates, be dated as of the date to which interest has been paid or shall, if no interest has been paid thereon, be dated as of the date of initial issuance; and shall entitle the registered holder to interest from the date thereof.

(b) Anything contained herein to the contrary notwithstanding, prior to due presentment for registration of transfer the parties hereto may deem and treat the registered holder of any Trust Certificate as the absolute owner of such Trust Certificate for all purposes and shall not be affected by any notice to the contrary.

(c) The Trustee shall cause to be kept at the Corporate Trust Office books for the registration and registration of transfer of the Trust Certificates and, upon presentation of the Trust Certificates for such purposes, the Trustee shall register any transfer as hereinabove provided, and under such reasonable regulations as it may prescribe.

(d) For any registration, registration of transfer or exchange, the Trustee shall require payment by the person requesting same of a sum sufficient to reimburse it for any governmental charge connected therewith.

(e) Each Trust Certificate delivered pursuant to any provision of this Agreement in exchange for, or upon the registration of transfer of the whole or any part, as the case may be, of one or more other Trust Certificates shall carry all the rights to principal and to interest accrued and unpaid and to accrue, which were carried by the whole or such part, as the case may be, of such one or more other Trust Certificates, and, notwithstanding anything contained in this Agreement, such Trust Certificate shall be so dated that neither gain nor loss in interest or

principal shall result from such exchange, substitution or registration of transfer.

(f) The Trustee shall not be required to issue, transfer or exchange Trust Certificates for a period of 10 days next preceding any interest payment date.

(g) The Trustee shall not transfer or exchange Trust Certificates if such transfer or exchange would, in the opinion of the Trustee's counsel, be in violation of the Securities Act of 1933, as amended.

SECTION 2.06. Replacement of Lost Trust Certificates. In case any Trust Certificate shall become mutilated or defaced or be lost, destroyed or stolen, then on the terms herein set forth, and not otherwise, the Trustee shall execute and deliver a new Trust Certificate of like tenor and date, and bearing such identifying number or designation as the Trustee may determine, in exchange and substitution for, and upon cancelation of, the mutilated or defaced Trust Certificate, or in lieu of and in substitution for the same if lost, destroyed or stolen. The applicant for a new Trust Certificate pursuant to this Section shall furnish to the Trustee evidence to its satisfaction of the loss, destruction or theft of such Trust Certificate alleged to have been lost, destroyed or stolen and of the ownership and authenticity of such mutilated, defaced, lost, destroyed or stolen Trust Certificate, and also shall furnish such security or indemnity as may be required by the Trustee in its discretion (it being understood that a letter of indemnity from a Purchaser shall be deemed acceptable by the Trustee). All Trust Certificates are held and owned upon the express condition that the foregoing provisions are exclusive in respect of the replacement of mutilated, defaced, lost, destroyed or stolen Trust Certificates and shall preclude any and all other rights and remedies, any law or statute now existing or hereafter enacted to the contrary notwithstanding.

ARTICLE THREE

Acquisition of Trust Equipment by Trustee; Deposited Cash

SECTION 3.01. Acquisition of Equipment by Trustee. The Lessee shall cause to be transferred to the

Owner and the Owner shall immediately cause to be transferred to the Trustee, as trustee for the holders of the Trust Certificates, the Equipment described in Schedule A hereto, all of which will be new Equipment newly constructed. In the event that the Lessee shall deem it necessary or desirable to include in the trust hereby created other new Equipment in lieu of or in addition to any units of Equipment specifically described in Schedule A hereto prior to the acceptance of such Equipment by the Trustee, the Lessee may cause to be transferred to the Owner, and the Owner shall immediately cause to be transferred to the Trustee, as trustee for holders of the Trust Certificates, such other new Equipment to be substituted under the trust by supplement hereto in accordance with the terms hereof. The Trustee hereby designates the Lessee to accept all such Equipment on behalf of the Trustee.

The units of Equipment shall be settled for hereunder on the Closing Date.

In the event that after the Closing Date any Deposited Cash shall remain in the possession of the Trustee, the Trustee shall promptly apply any such Deposited Cash to the prepayment of Trust Certificates, together with interest thereon to the date of such payment, as follows: such prepayment shall be allocated by the Trustee to each outstanding Trust Certificate, as near as may be, in the same proportion as the unpaid principal amount thereof bears to the aggregate principal amount of all the Trust Certificates and shall be credited pro rata against each installment of principal thereafter due thereon in proportion to the principal amount represented by each such installment. Upon any such prepayment, the Trustee shall deliver to the Purchaser a certificate showing the revised principal and interest payments to be made on each Trust Certificate.

SECTION 3.02. Payment of Deposited Cash. On the Closing Date, the Trustee shall (subject to the provisions of Sections 3.03 and 3.04) pay out of Deposited Cash then held by the Trustee, upon Request of the Owner to the Lessee, an amount specified in such Request not exceeding 67.9% of the aggregate Purchase Price of the Equipment as set forth in the invoice or invoices furnished to the Trustee pursuant to Section 3.04(c); provided, however, that the Trustee shall not pay out

any Deposited Cash unless and until the Owner makes the payment referred to in Section 3.03.

SECTION 3.03. Payment of Deficiency. The Owner covenants and agrees, that, on the Closing Date, it will pay to the Trustee for the account of the Lessee, that portion of the Purchase Price of the Equipment not paid out of Deposited Cash as provided for in Section 3.02.

SECTION 3.04. Supporting Papers. The Trustee shall not pay out any Deposited Cash for the purchase of any units of Equipment unless and until it shall have received the following documents dated the Closing Date, in form and substance satisfactory to it and to Messrs. Cravath, Swaine & Moore, special counsel to the Trustee, in such number of counterparts as may be reasonably requested by said special counsel:

(a) a bill or bills of sale from the Owner to the Trustee transferring to the Trustee and its successors and assigns, subject to Section 4.04, all right, title and interest of the Owner in such units, warranting to the Trustee that, at the time of delivery to the Trustee of such units hereunder, the Owner had the title to such units it acquired from the Lessee and good and lawful right to sell such units and such units were free of all claims, liens, security interests and other encumbrances of any nature (other than the rights of the Trustee and the Owner under this Agreement, the rights of the Lessee under the Lease and the rights of the Trustee under the Lease Assignment) arising from, through or under the Owner; and covenanting to defend such title to such units against demands of all persons whomsoever based on claims arising from, through or under the Owner;

(b) a Certificate or Certificates of Acceptance on behalf of the Owner, the Trustee and the Lessee with respect to such units as contemplated by § 2 of the Lease;

(c) the invoices of the Lessee and Butcher & Singer Inc. for such units accompanied by or having endorsed thereon a certification by the Owner as to its approval of such invoices; and

(d) an opinion of counsel for the Owner dated as of the Closing Date, addressed to the Trustee, to

the effect that the bill or bills of sale described in clause (a) above have been duly authorized, executed and delivered by the Owner and are valid and effective to transfer to the Trustee, subject to Section 4.04, all right, title and interest of the Owner in such units, free from all claims, liens, security interests and other encumbrances of any nature (other than the rights of the Trustee and the Owner under this Agreement, the rights of the Lessee under the Lease and the rights of the Trustee under the Lease Assignment) arising from, through or under the Owner.

SECTION 3.05. Absence of Title Encumbrances.

The Owner hereby represents and warrants to the Trustee that upon delivery of each unit of Equipment and payment therefor as provided in this Article Three such unit of Equipment shall then be free from all claims, liens, security interests and other encumbrances of any nature arising from or through the Owner except as created by this Agreement and except for the rights of the Lessee under the Lease and the rights of the Trustee under the Lease Assignment.

ARTICLE FOUR

Lease of Trust Equipment to the Owner

SECTION 4.01. Lease of Trust Equipment. The Trustee does hereby let and lease all the Trust Equipment to the Owner for a period ending November 1, 1992.

SECTION 4.02. Equipment Automatically Subjected. As and when any Equipment shall from time to time be accepted hereunder by the Trustee or its agent or agents, the same shall, ipso facto and without further instrument of lease or transfer, become subject to all the terms and provisions hereof.

SECTION 4.03. Rental Payments. The Owner hereby accepts the lease of all the Trust Equipment; and the Owner hereby covenants and agrees to pay to the Trustee at the Corporate Trust Office (or, in the case of taxes, to the proper taxing authority), in such coin or currency of the United States of America as at the time of payment

shall be legal tender for the payment of public and private debts, rental hereunder which shall be sufficient to pay and discharge the following items when and as the same shall become due and payable (whether or not any of such items shall become due and payable prior to the acceptance of and lease to the Owner of any unit of the Trust Equipment):

(A) (i) expenses of the trust hereby created, including but not limited to compensation and expenses of the Trustee, and (ii) an amount equal to any expenses incurred or loss of principal (including interest accrued thereupon at time of purchase) in connection with any purchase, sale or redemption by the Trustee of Investment Securities;

(B) the amounts of the interest payable on the Trust Certificates, when and as the same shall become payable, and interest at the rate of 13-7/8% per annum from the due date, upon the amount of any installments of rental payable under this and the following subparagraph which shall not be paid when due, to the extent legally enforceable; and

(C) the installments of principal of all the Trust Certificates (except as such sum may be reduced due to prepayments made pursuant to the terms hereof), when and as the same shall become payable, whether upon the date of maturity thereof or by declaration or otherwise.

Notwithstanding any other provisions of this Agreement, including, without limitation, Articles Five and Six hereof, it is understood and agreed by the Trustee on behalf of itself and the holders of the Trust Certificates that the liability of the Owner for all payments to be made by it under and pursuant to this Agreement and for all performance obligations (other than the payments called for by Section 3.03 and as provided in the proviso to the last paragraph of Section 6.01), shall not exceed an amount equal to, and shall be payable only out of, the income and proceeds from the Trust Equipment. As used herein the term "income and proceeds from the Trust Equipment" shall mean (i) if an Event of Default shall have occurred and while it

shall be continuing so much of the following amounts as are indefeasibly received by the Owner or any assignee of the Owner at any time after such Event of Default and during the continuance thereof: (a) all amounts of rental and amounts in respect of Casualty Occurrences paid for or with respect to such Trust Equipment pursuant to the Lease and (b) any and all other payments or proceeds received pursuant to the Lease (except sums which by the express terms of the Lease are payable directly to the Owner pursuant to § 6 and § 9 of the Lease and Paragraph 9 of the Participation Agreement) or for or with respect to such Trust Equipment as the result of the sale, lease or other disposition thereof, after deducting all costs and expenses of such sale, lease or other disposition and (ii) at any other time only that portion of the amounts referred to in the foregoing clauses (a) and (b) or otherwise payable to the Owner (or to the Trustee as assignee of the Owner) pursuant to the Lease as are indefeasibly received by the Owner (or by the Trustee as assignee of the Owner) and as shall equal the rental payments specified in the first paragraph of this Section 4.03 due and payable by the Owner on the date such amounts so received were required to be paid pursuant to the Lease or as shall equal any other payments (including payments in respect of Casualty Occurrences) then due and payable under this Agreement; it being understood that "income and proceeds from the Trust Equipment" shall in no event include amounts referred to in the foregoing clauses (a) and (b) which were received by the Owner or any assignee of the Owner prior to the existence of such an Event of Default which exceeded the amounts required to make the rental payments specified in the first paragraph of this Section 4.03 due and payable by the Owner on the date on which amounts with respect thereto received by the Owner or any assignee of the Owner were required to be paid pursuant to the Lease or which exceeded any other payments due and payable under this Agreement at the time such amounts were payable under the Lease. The Trustee agrees that if it obtains a judgment against the Owner for an amount in excess of the amounts payable by the Owner pursuant to the limitations set forth in this paragraph, it will, accordingly, limit its execution of such judgment to such amount and it will not bring suit against the Owner for any sums in addition to the amounts payable by the Owner pursuant to said limitations (or obtain a judgment, order or decree against the Owner for any relief other than

the payment of money) except as may be required by applicable rules of procedure to enforce, by appropriate proceedings against the Owner at law or in equity or otherwise, its rights with respect to the Lessee (rather than against the Owner personally). Nothing contained herein limiting the liability of the Owner shall derogate from the right of the Trustee to enforce any security interest it may have in any payments made to the Owner by the Lessee, as provided for herein or in the Lease, the Lease Assignment or the Consent.

SECTION 4.04. Termination of Trust and Lease.

The transfer of the Trust Equipment to the Trustee and the lease of such units to the Owner by the Trustee pursuant to this Agreement are intended solely to create a security interest in such units in order to secure the performance by the Owner of its obligations under this Agreement and the payment of all sums payable pursuant to this Agreement (without regard to the provisions of the last paragraph of Section 4.03 or Section 9.05) and, subject thereto, beneficial ownership of such units of Trust Equipment shall be and remain in the Owner. The Trustee agrees that it has no right to claim, nor will it file any tax return claiming, the investment credit or any other income tax benefits associated with the beneficial ownership of the Equipment. After all payments due or to become due from the Owner hereunder shall have been completed and fully made to the Trustee (1) such payments shall be deemed to represent the discharge in full of the Trustee's security interest in the Trust Equipment, and absolute right to the possession of, title to and property in the Equipment shall pass to and vest in the Owner without any further consideration or act on the part of the Owner or the Trustee, (2) any moneys remaining in the hands of the Trustee after providing for all outstanding Trust Certificates and after paying the expenses of the Trustee, including its reasonable compensation, shall be paid to the Owner, and (3) the Trustee shall execute for recording in public offices, at the expense of the Owner, such instrument or instruments in writing as reasonably shall be requested by the Owner in order to discharge of record the security interest of the Trustee in, and to make clear upon public records the Owner's full title to, all the Trust Equipment under the laws of any jurisdiction; provided, however, that until that time a security interest in the Trust Equipment shall

be and remain in the Trustee, notwithstanding the delivery of the Trust Equipment to and the possession and use thereof by the Owner pursuant to the terms of this Agreement.

In addition, the Trustee's security interest in any unit of Trust Equipment which shall have suffered a Casualty Occurrence shall be deemed to be discharged in full upon the payment by the Owner to the Trustee of the amount required to be paid with respect to such unit pursuant to Section 4.06 hereof, and the Trustee shall execute for recording in public offices, at the expense of the Owner, such instrument or instruments in writing as reasonably shall be requested by the Owner in order to discharge of record the security interest of the Trustee in, and to make clear upon public records the Owner's full title to, such unit under the laws of any jurisdiction.

SECTION 4.05. Marking of Trust Equipment. The Owner will cause each unit of the Equipment to be kept numbered and marked as provided in § 5 of the Lease. The Trustee will not permit the serial number of any unit of the Equipment to be changed except in accordance with a statement of new number or numbers to be substituted therefor as set forth in a supplement, which supplement previously shall have been filed, recorded and deposited by or on behalf of the Trustee and filed, recorded and deposited by or on behalf of the Owner in all public offices where this Agreement shall have been filed, recorded and deposited.

The Trust Equipment may be marked or lettered with the name of the Lessee or in some other appropriate manner for convenience of identification of the leasehold interest of the Lessee therein, and may also be marked or lettered, in case of a sublease of any Trust Equipment permitted by § 12 of the Lease, in such manner as may be appropriate for convenience of identification of the sublease interest therein; but the Owner will not allow the name of any person, association or corporation to be placed on any unit of the Equipment as a designation that might be interpreted as a claim of ownership.

SECTION 4.06. Maintenance of Trust Equipment; Casualty Occurrences. The Owner will maintain or cause to be maintained and keep all the Trust Equipment in as good

condition as when delivered to the Owner hereunder, ordinary wear and tear excepted at no cost or expense to the Trustee.

Whenever any unit of the Trust Equipment shall suffer a Casualty Occurrence, the Owner shall, promptly after it shall have been informed of such Casualty Occurrence, deliver to the Trustee an Officer's Certificate describing such Trust Equipment and stating the value thereof. On the May 1 or November 1 next succeeding the delivery of such Officer's Certificate, the Owner shall pay to the Trustee an amount equal to the value of such unit as of the date of such payment. The rights and remedies of the Trustee to enforce or to recover any of the rental payments to which the Trustee is otherwise entitled hereunder shall not be affected by reason of such Casualty Occurrence. For all purposes of this paragraph, the value of any unit of Trust Equipment shall be deemed to be that amount which bears the same ratio to that portion of the original Purchase Price thereof paid by the Trustee pursuant to Section 3.02 as the aggregate unpaid principal amount of the Trust Certificates (without giving effect to any prepayments then or theretofore made pursuant to this Section), as of the date payment is made with respect to such Casualty Occurrence, bears to the aggregate principal amount of the Trust Certificates issued pursuant to Section 2.01 minus any principal amount prepaid pursuant to the last paragraph of Section 3.01. Upon receipt of such payment in respect of a Casualty Occurrence and upon Request of the Lessee, the Trustee shall execute and deliver an appropriate supplement hereto for the purpose of releasing its security interest in any units of Trust Equipment which shall have suffered such Casualty Occurrence.

Cash deposited with the Trustee pursuant to this Section shall be applied (after the payment of the interest and principal due on such date out of rentals received pursuant to Section 4.03) to prepay without premium the principal of the Trust Certificates as follows: such prepayment shall be made on the date on which such deposit was made and shall be allocated by the Trustee to each outstanding Trust Certificate, as near as may be, in the same proportion as the unpaid principal amount thereof bears to the aggregate unpaid principal amount of all the Trust

Certificates and shall be credited pro rata against each installment of principal thereafter due thereon in proportion to the principal amount represented by each such installment. Upon any such prepayment, the Trustee shall deliver to the holder of Trust Certificates a certificate showing the revised principal and interest payments to be made thereon.

The Owner agrees to furnish or cause to be furnished to the Trustee, on or before April 1 in each year during the term hereof commencing with 1982, the Officer's Certificate required by § 8 of the Lease.

The obligations of the Owner under this Section are subject to the limitations set out in the last paragraph of Section 4.03 hereof.

SECTION 4.07. Possession of Trust Equipment. Subject to the second paragraph of this Section 4.07, the Owner will not assign or transfer its rights hereunder, or transfer or lease the Trust Equipment or any part thereof, without the written consent of the Trustee first had and obtained; and the Owner shall not, without such written consent, except as herein permitted, part with the possession of, or suffer or allow to pass out of its possession or control, any of the Trust Equipment, except that all, but not less than all, its rights hereunder may be assigned or transferred by the Owner to (i) any bank or trust company having a combined capital and surplus of at least \$25,000,000, (ii) any other financial institution or corporation having a combined capital and surplus of at least \$50,000,000, or (iii) any corporation owning at the time substantially all the capital stock of the Owner or any corporation or other entity (but not an individual) controlled by or under common control with the Owner or any corporation which shall purchase substantially all the assets of the Owner or shall be the successor of the Owner by merger or consolidation (such institution, corporation or entity to which rights may be assigned or transferred being hereinafter referred to as the "Transferee"); provided, however, that no such Transferee nor any Affiliate thereof may have been, immediately prior to the assignment, actively engaged in the management of railcars under operating leases. If the transfer occurs pursuant to clause (iii) above, the Owner shall remain secondarily liable for the obligations of Transferee under this Agreement if the Transferee shall not have a net worth of at

least \$50,000,000 at the time of the transfer. In the event of any such assignment or transfer, the Transferee shall become a party to this Agreement and will agree to be bound by all the terms of and will undertake all of the obligations of the Owner contained in this Agreement and the Participation Agreement in such manner as is satisfactory to the Trustee. No such assignment, conveyance or transfer shall violate any provision of law or regulation or create a relationship which would be in violation thereof. The Trustee shall not be on notice of or otherwise be bound by any such assignment or transfer unless and until it shall have received an executed counterpart of the instrument of such assignment or transfer, and no such transfer or assignment shall be effective until the Transferee shall have demonstrated its qualification under this Section to the reasonable satisfaction of the Trustee and shall have executed such instrument confirmatory of its assumption of the obligations of the Owner hereunder as may reasonably be satisfactory to the Trustee and its legal counsel. Upon any such disposition by the Owner to a Transferee as above provided, such Transferee shall succeed to the interests of the Owner and shall be deemed the "Owner" for all purposes hereof, and shall be deemed to have made all the payments previously made by his predecessor; and each reference herein to the Owner shall thereafter be deemed to include such Transferee.

So long as the Owner shall not be in default under this Agreement, the Owner shall be entitled to the possession and use of the Trust Equipment, and shall be entitled to act as Lessor under the Lease.

SECTION 4.08. Indemnity. The Owner covenants and agrees to indemnify, protect, save and keep harmless the Trustee and its respective successors, assigns, legal representatives, agents and servants, and the holders of the Trust Certificates ("Indemnified Persons") from and against any and all Indemnified Matters. In case any action, suit or proceeding is brought against any Indemnified Person in connection with any Indemnified Matter, the Owner may and, upon such Indemnified Person's request, will at the Owner's expense resist and defend such action, suit or proceeding, or cause the same to be

resisted or defended by counsel selected by the Owner and approved by such Indemnified Person, as the case may be, and, in the event of any failure by the Owner to do so, the Owner shall pay all costs and expenses (including without limitation attorneys' fees and expenses) incurred by such Indemnified Person in connection with such action, suit or proceeding. In the event the Owner is required to make any payment under this Section, the Owner shall pay such Indemnified Person an amount which, after deduction of all taxes required to be paid by such Indemnified Person in respect of the receipt thereof under the laws of the United States or of any political subdivision thereof (after giving credit for any savings in respect of any such taxes by reason of deductions, credits or allowances in respect of the payment of the expense indemnified against, and of any other such taxes as determined in the sole discretion of the Indemnified Person), shall be equal to the amount of such payment. Upon the payment in full of any indemnities as contained in this Section by the Owner, and provided that no Event of Default (or other event which with lapse of time or notice or both would constitute an Event of Default) shall have occurred and be continuing, the Owner shall be subrogated to any right of such Indemnified Person in respect of the Indemnified Matter. Any payments received by such Indemnified Person from any person (except the Owner) as a result of any Indemnified Matter shall be paid over to the Owner to the extent necessary to reimburse the Owner for indemnification payments previously made in respect of such Indemnified Matter.

The indemnities contained in this Section shall survive the expiration or termination of this Agreement with respect to all events, facts, conditions or other circumstances occurring or existing prior to such expiration or termination and are expressly made for the benefit of, and shall be enforceable by, any Indemnified Person. None of the indemnities in this Section shall be deemed to create any rights of subrogation in any insurer or third party against the Owner therefor, from or under any Indemnified Person, whether because of any claim paid or defense provided for the benefit thereof or otherwise.

The Owner will bear the responsibility for, and risk of, and shall not be released from its obligations hereunder in the event of any damage to or the loss or destruction of any unit of or all the Trust Equipment.

The obligations of the Owner under this Section are subject to the limitations contained in the last paragraph of Section 4.03 hereof.

SECTION 4.09. Compliance with Laws and Rules. During the term of this Agreement, the Owner will comply, and will cause every lessee or user of the Trust Equipment to comply, in all respects (including, without limitation, with respect to the use, maintenance and operation of the Trust Equipment) with all Applicable Laws, and in the event that the Applicable Laws require any alteration, replacement or addition of or to any part on any unit of the Trust Equipment, the Owner will, or will cause the Lessee to, conform therewith at no expense to the Trustee; provided, however, that the Owner or the Lessee may, in good faith, contest the validity or application of any Applicable Law in any reasonable manner which does not, in the reasonable opinion of the Trustee, adversely affect the property or rights of the Trustee under this Agreement.

SECTION 4.10. Taxes. Whether or not any of the transactions contemplated hereby are consummated, the Owner agrees to pay, and to indemnify and hold the Trustee and the holders of the Trust Certificates harmless from, all Taxes; excluding, however, (i) Taxes of the United States or of any state or political subdivision thereof and (if and to the extent that any person indemnified hereunder is entitled to a credit therefor against its United States Federal income taxes) of any foreign country or subdivision thereof, imposed on or measured solely by the net income or excess profits of the holders of Trust Certificates or the Trustee, other than Taxes arising out of or imposed in respect of the receipt of indemnification payments pursuant to this Agreement; (ii) any Taxes imposed on or measured by any fees or compensation received by the Trustee; (iii) any Taxes imposed as a direct result of a voluntary transfer or other voluntary disposition, or any transfer or disposition resulting from bankruptcy or other proceedings for the relief of creditors whether voluntary or involuntary of any Trust Certificate; and (iv) Taxes which are imposed on or measured solely by the net income of the Trustee or the holders of the Trust Certificates if and to the extent that such Taxes are in substitution for or reduce the Taxes payable by any other person which the Owner has not agreed to pay or indemnify against pursuant to this Section; provided, however, that the Owner shall not be required to pay any Taxes during the period it or the Lessee may be

contesting the same in the manner provided in the second succeeding paragraph or the Lease, as the case may be.

In the event that the Owner, pursuant to the preceding paragraph, makes a payment to a person indemnified hereunder on account of Taxes of any foreign country or subdivision thereof imposed on or measured solely by net income or excess profits and such person in one of its subsequent taxable years is allowed a credit for such Taxes against its United States Federal income taxes, such person shall pay to the Owner a sum which, after reduction by the tax savings which the person derives from making the payment, is equal to the amount of such credit. For purposes of the preceding sentence it shall be assumed that all other foreign taxes of the person indemnified hereunder which qualify for such credit are first utilized.

If claim is made against the Trustee or any holder of the Trust Certificates, for any Taxes indemnified against under this Section, the Trustee or the holders of the Trust Certificates shall promptly notify the Owner. If reasonably requested by the Owner in writing, the Trustee or the holders of the Trust Certificates, as the case may be, shall, upon receipt of any indemnity satisfactory to it or them, as the case may be, for all costs, expenses, losses, legal and accountants' fees and disbursements, penalties, fines, additions to tax and interest, and at the expense of the Owner, contest in good faith the validity, applicability or amount of such Taxes by (a) resisting payment thereof if possible, (b) not paying the same except under protest, if protest is necessary and proper, and (c) if payment is made, using reasonable efforts to obtain a refund thereof in appropriate administrative or judicial proceedings, or both. The Owner may also contest, at its own expense, the validity, applicability or amount of such Taxes in the name of the Trustee or the holders of the Trust Certificates as the case may be; provided, however, that no proceeding or action relating to such contest shall be commenced (nor shall any pleading, motion, brief or other paper be submitted or filed in the name of the Trustee or the holders of the Trust Certificates, as the case may be, in any such proceeding or action) without the prior written consent of the Trustee. If the Trustee or the holders of the Trust Certificates, as the case may be, shall obtain a refund of all or any part of such Taxes previously reimbursed by the Owner in connection with any such contest or an amount representing interest thereon, the Trustee or the holders of the Trust Certificates, as

the case may be, shall pay the Owner an amount equal to the sum of such refund or interest net of expenses plus any Tax saving realized as the result of any payment made pursuant to this sentence when, as, if and to the extent such Tax savings are realized; provided, however, that no Event of Default and no event which with notice or lapse of time or both would constitute an Event of Default shall have occurred and be continuing.

In case any report or return is required to be made with respect to any obligation of the Owner under this Section or arising out of this Section, the Owner shall either make such report or return in such manner as will show the interest of the Trustee in the Trust Equipment or shall promptly notify the Trustee of such requirement and shall make such report or return in such manner as shall be satisfactory to the Trustee. All costs and expenses (including legal and accountants' fees) of preparing any such return or report shall be borne by the Owner.

All of the obligations of the Owner under this Section shall survive and continue, notwithstanding payment in full of all amounts due under this Agreement, but only with respect to periods included in the term of this Agreement.

The obligations of the Owner under this Section are subject to the limitations contained in the last paragraph of Section 4.03 hereof.

ARTICLE FIVE

Events of Default and Remedies

SECTION 5.01. Events of Default. The Owner covenants and agrees that, without regard to any limitation of liability contained in Section 4.03 or Section 9.05, in case:

(a) the Owner shall fail to pay or cause to be paid in full any sum payable pursuant to Section 4.03 or Section 4.06 by the Owner when payment thereof shall be due hereunder and such default shall continue for more than five days after the same shall have become due and payable, subject to the cure rights of the Owner described in clause (f) below; or

(b) the Owner, except as herein authorized or contemplated, shall suffer or make any assignment or transfer of its rights or interests hereunder or make any transfer or part with the possession of any of the Trust Equipment, and shall fail or refuse either to cause such assignment or transfer to be canceled by agreement of all parties having any interest therein and recover possession of such Trust Equipment within 30 days after the Trustee shall have demanded of the Owner and the Lessee in writing such cancelation and recovery of possession; or

(c) the Owner shall for more than 30 days after the Trustee shall have demanded of the Owner and the Lessee in writing performance thereof, fail or refuse to comply with any other of the provisions hereof or of the Lease Assignment on its part to be kept and performed; or

(d) any proceeding shall be commenced by or against the Owner or the Lessee for any relief which includes, or might result in, any modification of the obligations of the Owner hereunder or under the Lease Assignment or of the Lessee under the Lease or the Consent under any bankruptcy or insolvency laws, or laws relating to the relief of debtors, readjustment of indebtedness, reorganizations, arrangements, compositions or extensions (other than a law which does not permit any readjustment of such obligations), and, unless such proceedings shall have been dismissed, nullified, stayed or otherwise rendered ineffective (but then only so long as such stay shall continue in force or such ineffectiveness shall continue), all the obligations of the Owner under this Agreement and the Lease Assignment or of the Lessee under the Lease and the Consent, as the case may be, shall not have been and shall not continue to be duly assumed in writing pursuant to a court order or decree, by a trustee or trustees or receiver or receivers appointed (whether or not subject to ratification) for the Owner or the Lessee, as the case may be, or for their respective property in connection with any such proceedings in such manner that such obligations shall have the same status as expenses of administration and obligations incurred by such trustee or trustees or receiver or receivers, within

60 days after such proceedings shall have been commenced; or

(e) any representation of the Owner or the Lessee made in the Participation Agreement (other than in Paragraph 9 thereof) or pursuant thereto shall prove to have been false in any material respect when made; or

(f) any Event of Default (as defined in the Lease) shall have occurred and be continuing under the Lease unless the Owner shall have cured the corresponding event of default hereunder within 10 days after the Trustee shall have given notice to the Owner of such event of default; provided, however, that if more than four such Events of Default or more than two consecutive such Events of Default shall have occurred under clause (A) of § 10 of the Lease, any such Event of Default shall be an event of default hereunder whether or not the corresponding event of default hereunder is cured;

then, in any such case (herein sometimes called an "Event of Default"), the Trustee in its discretion may, and upon the written request of the holders of a majority in aggregate unpaid principal amount of the then outstanding Trust Certificates shall, by notice in writing delivered to the Owner, declare ("Declaration of Acceleration") to be due and payable forthwith (a) the entire amount of the rentals (but not including rentals required for the payment of interest accruing after the date of such declaration) payable by the Owner, as set forth in Section 4.03 hereof for the entire remaining term of the lease evidenced hereby and not theretofore paid, whereupon the entire amount of such rentals shall forthwith become and shall be due and payable immediately without further demand, together with interest at the rate of 13-7/8% per annum, to the extent legally enforceable, on any portion thereof overdue, and (b) the unpaid principal of all the Trust Certificates then outstanding to be due and payable, and thereupon the same shall become and be immediately due and payable.

In case the Owner shall fail to pay any installment of rental payable pursuant to Section 4.03(B) or 4.03(C) hereof when and as the same shall have become due and payable hereunder, and such default shall have continued for a period of five days, the Trustee, in its own

name and as trustee of an express trust, shall be entitled and empowered to institute any action or proceedings at law or in equity for the collection of the rentals so due and unpaid, and may prosecute any such action or proceedings to judgment or final decree, and may enforce any such judgment or final decree against the Owner and collect in the manner provided by law out of the property of the Owner (including the Trust Equipment) wherever situated the moneys adjudged or decreed to be payable (subject to the provisions of the last paragraph of Section 4.03).

All rights of action and to assert claims under this Agreement, under the Lease or under any of the Trust Certificates, may be enforced by the Trustee without the possession of any of the Trust Certificates or the production thereof on any trial or other proceedings relative thereto, and any such action or proceedings instituted by the Trustee shall be brought in its own name as Trustee of an express trust, and any recovery of judgment shall be for the ratable benefit of the holders of the Trust Certificates. In any proceedings brought by the Trustee (and also any proceedings involving the interpretation of any provisions of this Agreement to which the Trustee shall be a party) the Trustee shall be held to represent all the holders of the Trust Certificates, and it shall not be necessary to make any holders of the Trust Certificates parties to such proceedings.

SECTION 5.02. Remedies. In case of the happening of any Event of Default the Trustee may by its agents enter upon the premises where any of the Trust Equipment may be and take possession of all or any part of the Trust Equipment and withdraw the same from said premises, retaining all payments which up to that time may have been made on account of rental for the Trust Equipment and otherwise, and shall be entitled to collect, receive and retain all unpaid per diem, incentive per diem, mileage or other charges of any kind earned by the Trust Equipment or any part thereof, and may lease or otherwise contract for the use of the Trust Equipment or any part thereof; or the Trustee may with or without retaking possession (but only after a Declaration of Acceleration) sell the Trust Equipment or any part thereof, free from any and all claims of the Owner at law or in equity, in one lot and as an entirety or in separate lots, at public or private sale for cash or upon credit in its discretion, and may proceed otherwise to enforce its rights and the rights of the

holders of then outstanding Trust Certificates, all subject to any mandatory requirements of law applicable thereto; provided, however, that before the Trustee may so lease, contract for the use of or sell the Trust Equipment or any part thereof (i) the Owner shall have the right to pay the entire aggregate principal amount of Trust Certificates, together with interest thereon accrued and unpaid to the date of payment, within 15 days of such Declaration of Acceleration and (ii) the Trustee must terminate the Lease if the Event of Default hereunder is caused solely by a default by the Lessee under the Lease. Upon any such sale, the Trustee itself and the Lessee may bid for the property offered for sale or any part thereof. Any such sale may be held or conducted at such place and at such time as the Trustee may specify, or as may be required by law, and without gathering at the place of sale the Trust Equipment to be sold, and in general in such manner as the Trustee may determine, but so that the Owner may and shall have a reasonable opportunity to bid at any such sale. Upon such taking possession or withdrawal, lease or sale of the Trust Equipment, the Owner shall cease to have any rights or remedies in respect of the Trust Equipment hereunder, but all such rights and remedies shall be deemed thenceforth to have been waived and surrendered by the Owner and no payments theretofore made by the Owner for the rent or use of the Trust Equipment or any of it shall give to the Owner any legal or equitable interest or title in or to the Trust Equipment or any of it or any cause or right of action at law or in equity in respect of the Trust Equipment against the Trustee or the holders of interests hereunder. No such taking of possession, withdrawal, lease or sale of the Trust Equipment by the Trustee shall be a bar to the recovery by the Trustee from the Owner of rentals then or thereafter due and payable, or of principal and interest in respect of the Trust Certificates, and the Owner (subject to the provisions of the last paragraph of Section 4.03 hereof) shall be and remain liable for the same until such sums have been realized as, with the proceeds of the lease or sale of the Trust Equipment, shall be sufficient for the discharge and payment in full of all the obligations of the Owner under this Agreement. Notwithstanding anything else in this Agreement to the contrary, so long as (i) no Event of Default (as defined in the Lease) exists under the Lease, (ii) the Lessee is complying with the provisions of the Consent and (iii) the Trustee is entitled to apply the Payments (as defined in the Lease Assignment) in accordance with the Lease Assignment, the Lease may not be terminated

and nothing in this Agreement shall limit the rights of the Lessee to the possession, use and assignment of the Equipment as provided under the Lease.

SECTION 5.03. Application of Proceeds. If the Trustee shall exercise any of the powers conferred upon it by Sections 5.01 and 5.02, all payments made by the Owner to the Trustee, and the proceeds of any judgment collected from the Owner by the Trustee, and the proceeds of every sale or lease by the Trustee of any of the Trust Equipment, together with any other sums which may then be held by the Trustee under any of the provisions hereof (other than sums held in trust for the payment of specific Trust Certificates or a part thereof, or interest thereon) shall be applied by the Trustee to the payment in the following order of priority, (a) of all proper charges, expenses or advances made or incurred by the Trustee in accordance with the provisions of this Agreement and (b) of the interest then due, with interest on overdue interest at the rate of 13-7/8% per annum, to the extent legally enforceable, and of the principal of all the outstanding Trust Certificates, with interest thereon at the rate of 13-7/8% per annum, to the extent legally enforceable, from the last preceding interest payment date, whether or not such Trust Certificates shall have then matured by their terms, all such payments to be in full if such proceeds shall be sufficient, and if not sufficient, then first to interest and then to principal.

After all such payments shall have been made in full, the security interest of the Trustee in and to any of the Trust Equipment remaining unsold shall be released by the Trustee so that the title therein of the Owner shall be free from any further liabilities or obligations to the Trustee hereunder. If after applying all such sums of money realized by the Trustee as aforesaid there shall remain any amount due to the Trustee under the provisions hereof, the Owner, subject to the provisions of the last paragraph of Section 4.03, agrees to pay the amount of such deficit to the Trustee. If after applying as aforesaid the sums of money realized by the Trustee there shall remain a surplus in the possession of the Trustee, such surplus shall be paid to the Owner.

SECTION 5.04. Waivers of Default. Prior to the declaration of the acceleration of the maturity of the rentals and of the maturity of all the Trust Certificates

as provided in Section 5.01, the holders of not less than 66-2/3% in aggregate unpaid principal amount of the Trust Certificates at the time outstanding may on behalf of the holders of all the Trust Certificates waive by an instrument in writing delivered to the Trustee any past default and its consequences, except a default in the payment of any installment of rental payable pursuant to Section 4.03(B) or 4.03(C), but no such waiver shall extend to or affect any subsequent default or impair any right consequent thereon.

If at any time after the principal of all the Trust Certificates shall have been declared and become due and payable or if at any time after the entire amount of rentals shall have been declared and become due and payable, all as provided in Section 5.01, but before November 1, 1992, all arrears of rent (with interest at the rate of 13-7/8% per annum upon any overdue installments, to the extent legally enforceable), the expenses and reasonable compensation of the Trustee, together with all expenses of the trust occasioned by the Owner's default, and all other sums which shall have become due and payable by the Owner hereunder shall be paid by the Owner (irrespective of the provisions of the last paragraph of Section 4.03) before any sale or lease by the Trustee of any of the Trust Equipment, and every other default shall be made good or secured to the satisfaction of the Trustee, then, and in every such case, the Trustee, if so requested in writing by the holders of a majority in aggregate unpaid principal amount of the Trust Certificates then outstanding, shall by written notice to the Owner waive the default by reason of which there shall have been such declaration or declarations and the consequences of such default, but no such waiver shall extend to or affect any subsequent default or impair any right consequent thereon.

SECTION 5.05. Obligations of the Owner Not Affected by Remedies. No retaking of possession of the Trust Equipment by the Trustee, or any withdrawal, lease or sale thereof, nor any action or failure or omission to act against the Owner or in respect of the Trust Equipment on the part of the Trustee or on the part of the holder of any Trust Certificate, nor any delay or indulgence granted to the Owner by the Trustee or by any such holder, shall affect the obligations of the Owner hereunder.

The Owner hereby waives presentation and demand

in respect of any of the Trust Certificates and waives notice of presentation, of demand and of any default in the payment of the principal of and interest on the Trust Certificates.

SECTION 5.06. The Owner To Deliver Trust Equipment to Trustee. In case the Trustee shall demand possession of any of the Trust Equipment, the Owner will, as soon as possible, cause such Trust Equipment to be drawn to such point or points as shall reasonably be designated by the Trustee in accordance with § 11 of the Lease and will there deliver or cause to be delivered the same to the Trustee; or, at the option of the Trustee, the Trustee may keep such Trust Equipment, without expense to the Trustee, on any lines of railroad or premises approved by the Trustee until the Trustee shall have leased, sold or otherwise disposed of the same. The performance of the foregoing covenant is of the essence of this Agreement and upon application to any court having jurisdiction in the premises, the Trustee shall be entitled to a decree against the Owner requiring the specific performance thereof.

SECTION 5.07. Trustee To Give Notice of Default. The Trustee shall give to the registered holders of the Trust Certificates notice of each Event of Default hereunder actually known to the Trustee at its Corporate Trust Office, promptly after it so learns of the same, unless remedied or cured before the giving of such notice.

SECTION 5.08. Control by Holders of Trust Certificates. The registered holders of a majority in aggregate unpaid principal amount of the then outstanding Trust Certificates, by an instrument or instruments in writing executed and delivered to the Trustee, shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred on the Trustee; provided, however, that the Trustee shall have the right to decline to follow any such direction (i) if the Trustee shall be advised by counsel that the action so directed may not lawfully be taken or (ii) if the Trustee shall be advised by counsel that the action so directed may involve it in personal liability as to which the holders have not agreed fully to indemnify the Trustee. The Trustee may take any other action deemed proper by the Trustee which is not inconsistent with any such direction given hereunder.

SECTION 5.09. Remedies Cumulative; Subject to Mandatory Requirements of Law. The remedies in this Agreement provided in favor of the Trustee and the holders of the Trust Certificates, or any of them, shall not be deemed exclusive, but shall be cumulative, and shall be in addition to all other remedies in their favor existing at law or in equity; and such remedies so provided in this Agreement shall be subject in all respects to any mandatory requirements of law at the time applicable thereto, to the extent such requirements may not be waived on the part of the Owner.

ARTICLE SIX

Additional Covenants and Agreements by the Owner

SECTION 6.01. Discharge of Liens. The Owner covenants and agrees that it will pay and discharge, or cause to be paid and discharged, or make adequate provision for the satisfaction or discharge of, any debt, tax, charge, assessment, obligation or claim which if unpaid might become a lien, charge, security interest or other encumbrance upon or against any of the Trust Equipment, or the "income and proceeds from the Trust Equipment" (as defined in Section 4.03); but this provision shall not require the payment of any such debt, tax, charge, assessment, obligation or claim so long as the validity thereof shall be contested in good faith and by appropriate legal proceedings, provided that such contest will not materially endanger the rights or interest of the Trustee or of the holders of the Trust Certificates and the Owner shall have furnished the Trustee with an Opinion of Counsel to such effect. If the Owner does not forthwith pay and discharge, or cause to be paid and discharged, or make adequate provisions for the satisfaction or discharge of, any such debt, tax, charge, assessment, obligation or claim as required by this Section, the Trustee may, but shall not be obligated to, pay and discharge the same and any amount so paid shall be secured by and under this Agreement until reimbursed by the Owner.

The obligations of the Owner under this Section are subject to the limitations contained in the last paragraph of Section 4.03 and Section 9.05; provided, however, that the Owner will pay or discharge any and all claims, taxes, liens, charges or security interests claimed by any

party from, through or under the Owner, not arising out of the transactions contemplated hereby (but including all taxes arising out of the receipt of rentals and other payments under the Lease or the Participation Agreement and any other proceeds from the Trust Equipment), which, if unpaid, (i) might become a lien, charge or security interest on or with respect to any unit of the Trust Equipment or the Owner's interest in the Lease and the payments to be made thereunder or (ii) would result in the bankruptcy or reorganization of the Owner; but the Owner shall not be required to pay or discharge any such claim so long as the validity thereof shall be contested in good faith and by appropriate legal proceedings in any reasonable manner and the nonpayment thereof does not adversely affect the security interest of the Trustee in the Trust Equipment, its interest in said income and proceeds from the Trust Equipment, or otherwise under this Agreement.

SECTION 6.02. Recording. Promptly after the execution and delivery of this Agreement, the Lease, the Lease Assignment and each supplement or amendment hereto or thereto, the Owner shall (i) cause the same to be duly filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 except that such filing of a supplement or an amendment shall not be required if the filing thereof is not necessary for the protection of the rights of the Trustee hereunder and (ii) cause all filings which shall be necessary for the protection of the rights of the Trustee hereunder to be made in accordance with any applicable national registration legislation of Canada (provided filings under such legislation will render the title and interests of the Trustee superior to all other claims against such title and interests) or the applicable registration legislation of all mainland Provinces of Canada (other than Quebec, New Brunswick and Nova Scotia, subject to the proviso below) in which such documents are eligible for filing; and the Owner will from time to time do and perform any other act and will execute, acknowledge, deliver, file, register and record any and all further instruments required by the law of any jurisdiction in which the Trust Equipment shall be used or reasonably requested by the Trustee for the purpose of proper protection of the title and interests of the Trustee and the rights of the holders of the Trust Certificates in and to the Trust Equipment and of fully carrying out and effectuating this Agreement and the intent hereof; provided, however, that the Owner shall not be required to take any such

action in respect of any jurisdiction outside the United States of America if (1) the Owner deems such action to be unduly burdensome, (2) after giving effect to the failure to take such action, the Owner has taken all action required by law to protect the title and interests of the Trustee to all Trust Equipment other than units of Trust Equipment having an aggregate Purchase Price of not more than 10% of the aggregate Purchase Price of all units of Trust Equipment then subject hereto and (3) any unit of Trust Equipment at any time located in such jurisdiction shall have been marked with the markings specified in Section 4.05.

Promptly after the execution and delivery of this Agreement, the Lease Assignment and each supplement or amendment hereto or thereto, the Owner will furnish to the Trustee one or more Opinions of Counsel stating that, in the opinion of such counsel, the same has been properly recorded and filed so as effectively to protect the title and interests of the Trustee to the Trust Equipment and its rights and the rights of the holders of the Trust Certificates thereunder and hereunder as provided in the next preceding paragraph and reciting the details of such action, it being understood that such an Opinion of Counsel shall not be required in the case of any supplement hereto provided for in Section 4.06; and the Owner will from time to time do and perform any other act and will execute, acknowledge, deliver, file, register and record any and all further instruments required by law, or when reasonably requested by the Trustee for the purpose of proper protection of the title and interests of the Trustee and the rights of the holders of the Trust Certificates and of fully carrying out and effectuating this Agreement and the intent hereof; all expense incident to such recording and filing to be paid by the Owner.

SECTION 6.03. Further Assurances. The Owner covenants and agrees that from time to time it will do all such acts and execute all such instruments of further assurance as it shall be reasonably requested by the Trustee to do or execute for the purpose of fully carrying out and effectuating this Agreement and the intent hereof.

ARTICLE SEVEN

Concerning the Holders of Trust Certificates

SECTION 7.01. Evidence of Action Taken by Holders of Trust Certificates. Whenever in this Agreement

it is provided that the holders of a specified percentage in aggregate unpaid principal amount of the Trust Certificates may take action (including the making of any demand or request, the giving of any notice, consent or waiver or the taking of any other action), the fact that at the time of taking any such action the holders of such specified percentage have joined therein may be evidenced by any instrument or any number of instruments of similar tenor executed by holders of Trust Certificates in person or by agent or proxy appointed in writing.

SECTION 7.02. Proof of Execution of Instruments and of Holding of Trust Certificates. Proof of the execution of any instrument by a holder of Trust Certificates or his agent or proxy and proof of the holding by any person of any of the Trust Certificates shall be sufficient if made in the following manner:

The fact and date of the execution by any such person of any instrument may be proved by the certificate of any notary public or other officer of any jurisdiction within the United States of America authorized to take acknowledgments of deeds to be recorded in such jurisdiction that the person executing such instrument acknowledged to him the execution thereof, or by an affidavit of a witness to such execution sworn to before any such notary or other such officer. Where such execution is by or on behalf of any legal entity other than an individual, such certificate or affidavit shall also constitute proof of the authority of the person executing the same.

The ownership of Trust Certificates may be proved by the register of such Trust Certificates or by a certificate of the registrar thereof.

SECTION 7.03. Trust Certificates Owned by the Owner or the Lessee. In determining whether the holders of the requisite unpaid principal amount of the Trust Certificates have concurred in any direction, request or consent under this Agreement, Trust Certificates which are owned by the Owner or the Lessee or by an Affiliate of the Lessee or the Owner shall be disregarded, except that for the purpose of determining whether the Trustee shall be protected in relying on any such direction, request or consent, only Trust Certificates which are actually known to the Trustee at its Corporate Trust Office to be so owned, shall be disregarded.

SECTION 7.04. Right of Revocation of Action Taken. At any time prior to (but not after) the evidencing to the Trustee, as provided in Section 7.01, of the taking of any action by the holders of the percentage in aggregate unpaid principal amount of the Trust Certificates specified in this Agreement in connection with such action, any holder of a Trust Certificate the serial number of which is shown by the evidence to be included in the Trust Certificates the holders of which have consented to such action may, by filing written notice with the Trustee and upon proof of holding as provided in Section 7.02, revoke such action insofar as concerns such Trust Certificate. Except as aforesaid, any such action taken by the holder of any Trust Certificate shall be conclusive and binding upon such holder and upon all future holders and owners of such Trust Certificate and of any Trust Certificate issued in exchange or substitution therefor, irrespective of whether or not any notation in regard thereto is made upon such Trust Certificate. Any action taken by the holders of the percentage in aggregate unpaid principal amount of the Trust Certificates specified in this Agreement in connection with such action shall be conclusive and binding upon the Owner, the Trustee and the holders of all the Trust Certificates, subject to the provisions of Section 5.08.

ARTICLE EIGHT

The Trustee

SECTION 8.01. Acceptance of Trust. The Trustee hereby accepts the trust imposed upon it by this Agreement, and covenants and agrees to perform the same as herein expressed.

SECTION 8.02. Duties and Responsibilities of the Trustee. If an Event of Default shall have happened, then, so long as the same shall be continuing, the Trustee shall exercise such of the rights and powers vested in it by this Agreement, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs. The Trustee shall not be deemed to have knowledge of any default or Event of Default under this Agreement prior to the time it shall have obtained actual knowledge thereof at its Corporate Trust Office.

No provision of this Agreement shall be con-

strued to relieve the Trustee from liability for its own negligence or its wilful misconduct, except that:

(a) prior to the occurrence of an Event of Default and after the curing of all Events of Default which may have occurred:

(1) the duties and obligations of the Trustee shall be determined solely by the express provisions of this Agreement, and the Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Agreement, and no implied covenants or obligations shall be read into this Agreement against the Trustee; and

(2) in the absence of bad faith on the part of the Trustee, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon any certificates or opinions furnished to the Trustee and conforming to the requirements of this Agreement; but in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Agreement;

(b) the Trustee shall not be liable for any error of judgment made in good faith, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts;

(c) the Trustee shall not be liable with respect to any action taken, suffered or omitted to be taken by it in good faith in accordance with the direction of the holders of a majority (or such higher percentage as may be specifically provided in any provision hereof for the action specified in such provision) in aggregate unpaid principal amount of the then outstanding Trust Certificates relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Agreement;

(d) the Trustee may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, Trust Certificate, guarantee or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties;

(e) the Trustee may consult with counsel and any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in accordance with such Opinion of Counsel;

(f) the Trustee shall be under no obligation to exercise any of its rights or powers vested in it by this Agreement, at the request, order or direction of any of the holders of the Trust Certificates, pursuant to the provisions of this Agreement, unless such holders shall have offered to the Trustee reasonable security or indemnity against the costs, expenses and liabilities which might be incurred therein or thereby and for its reasonable compensation in so acting; and

(g) the Trustee shall not be liable for any action taken by it in good faith and reasonably believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Agreement. None of the provisions contained in this Agreement shall require the Trustee to expend or risk its own funds or otherwise incur personal financial liability in the performance of any of its duties or in the exercise of any of its rights or powers, if there is reasonable ground for believing that the repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it. Whether or not therein expressly so provided, every provision of this Agreement relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Section.

SECTION 8.03. Application of Rentals. The Trustee covenants and agrees to apply the rentals received by it under Section 4.03 when and as the same shall be received, and to the extent that such rentals shall be sufficient therefor, for the purposes specified in Section 4.03.

The Trustee shall not be required to undertake any act or duty in the way of insuring, taking care of or taking possession of the Trust Equipment until fully indemnified by the Owner or by one or more holders of the Trust Certificates against all liability and expenses; and the Trustee shall not be responsible for the filing or recording or refiling or rerecording of this Agreement or of any supplement hereto or statement of new numbers or any assignments or any other statement or document that may be permitted or required to be filed, recorded, refiled or rerecorded in any jurisdiction to protect or perfect any of the security interests contemplated hereby.

SECTION 8.04. Funds May Be Held by Trustee. Any money at any time paid to or held by the Trustee hereunder until paid out by the Trustee as herein provided may be carried by the Trustee on deposit with itself, and the Trustee will allow interest upon any such moneys held by it in trust at the rate generally allowed by it upon deposits of a similar character.

At any time, and from time to time, if at the time no Event of Default shall have occurred and be continuing, the Trustee, on Request of the Lessee, shall invest and reinvest Deposited Cash held by it in Investment Securities, at such prices, not in excess of fair market value at the time of investment, including any premium and accrued interest, as are set forth in such Request, such Investment Securities to be held by the Trustee in trust for the benefit of the holders of the Trust Certificates. Such Investment Securities may be purchased from or through the Trustee.

The Trustee shall, on Request of the Lessee, or the Trustee may, in the event funds are required for payment against delivery of Trust Equipment or for payment of the principal of or interest on any Trust Certificate, sell such Investment Securities, or any portion thereof, and restore to Deposited Cash, the proceeds of any such sale up to the amount paid for such Investment Securities, including accrued interest, or apply such proceeds to the payment of said principal or interest if and to the extent such proceeds are needed therefor.

The Trustee shall restore to Deposited Cash out of rent received by it for that purpose under the provisions of Section 4.03(A)(ii), an amount equal to any expenses incurred in connection with any purchase or sale

of Investment Securities and also an amount equal to any loss of principal incident to the sale or redemption of any Investment Securities for a sum less than the amount paid therefor, including accrued interest.

The Lessee, if not to the knowledge of the Trustee in default, shall be entitled to receive any interest allowed as provided in the first paragraph of this Section and any interest (in excess of accrued interest paid from Deposited Cash at the time of purchase) or other profit which may be realized from any sale or redemption of Investment Securities.

SECTION 8.05. Trustee Not Liable for Delivery Delays or Defects in Equipment or Title; Discharge of Liens. The Trustee shall not be liable to anyone for any delay in the delivery of any of the Trust Equipment, or for any default on the part of the Builder or of the Owner, or for any defect in any of the Trust Equipment or in the title thereto, nor shall anything herein be construed as a warranty on the part of the Trustee in respect thereof or as a representation on the part of the Trustee in respect of the value thereof or in respect of the title thereto or the security afforded thereby or otherwise; provided, however, that the Trustee covenants and agrees for the benefit of the Purchaser, the Owner and the Lessee that it will pay and discharge, or cause to be paid and discharged, or make adequate provisions for the satisfaction or discharge of, any debt, tax, charge, assessment, obligation or claim which may be claimed by any party from, through or under the Trustee or its successors and assigns, not arising out of the transactions contemplated hereby, and which if unpaid might become a lien, charge, security interest or other encumbrance upon or against any of the Trust Equipment; but this provision shall not require the payment of any such debt, tax, charge, assessment, obligation or claim so long as the validity thereof shall be contested in good faith and by appropriate legal proceedings, provided that such contest will not materially endanger the rights or interest of the Trustee or of the holders of the Trust Certificates.

The Trustee may perform its powers and duties hereunder by or through such attorney and agents as it shall appoint, and shall be answerable only for its own negligence or wilful misconduct and not for the default or misconduct of any attorney or agent appointed by it with reasonable care. The Trustee shall not be responsible in

any way for, and makes no representation with respect to, the recitals herein contained or for the execution or validity or enforceability of this Agreement or of the Trust Certificates (except for its own execution thereof).

The Trustee shall be entitled to receive payment of all its expenses and disbursements hereunder, including reasonable counsel fees and expenses, and to receive reasonable compensation for all services rendered by it in the execution of the trust hereby created, all of which shall be paid by the Owner subject to the last paragraph of Section 4.03.

The Trustee in its individual capacity may own, hold and dispose of Trust Certificates.

Any moneys at any time held by the Trustee or any paying agent hereunder shall, until paid out or invested by the Trustee or any paying agent as herein provided, be held by it in trust as herein provided for the benefit of the holders of the Trust Certificates.

SECTION 8.06. Resignation and Removal; Appointment of Successor Trustee. (a) The Trustee may resign and be discharged of the trust created by this Agreement by giving at least 30 days' written notice to the holders of the Trust Certificates and the Owner. Such resignation shall take effect upon receipt by the Trustee of an instrument of acceptance executed by a successor trustee as herein provided in this Section.

(b) The Trustee may be removed at any time by an instrument in writing signed by the holders of a majority in aggregate unpaid principal amount of the Trust Certificates then outstanding, delivered to the Trustee and to the Owner.

(c) If at any time the Trustee shall resign or be removed or otherwise become incapable of acting or, if at any time a vacancy shall occur in the office of the Trustee for any other cause, a successor trustee may be appointed by the holders of a majority in aggregate unpaid principal amount of the then outstanding Trust Certificates by an instrument in writing delivered to the Owner and the Trustee. Until a successor trustee shall be appointed by the holders of Trust Certificates as herein authorized, the Owner by an instrument in writing shall appoint a trustee

to fill such vacancy. A successor trustee so appointed by the Owner shall immediately and without further act be superseded by a successor trustee appointed by the holders of Trust Certificates in the manner provided above. Every successor trustee appointed pursuant to this Section shall be a national bank or a bank or trust company incorporated under the laws of the United States of America, the State of New York or the State of Illinois having its principal office in the City of New York or the City of Chicago and having a capital and surplus of not less than \$100,000,000, if there be such an institution willing, qualified and able to accept the trust upon reasonable or customary terms.

(d) The Owner shall give notice to the holders of all outstanding Trust Certificates of each resignation (if not previously given by the Trustee) or removal of the then Trustee and of each appointment by the Owner of a successor trustee pursuant to this Section by mailing written notice of such event by first class mail, postage prepaid.

SECTION 8.07. Acceptance of Appointment by Successor Trustee. Any successor trustee appointed as provided in Section 8.06 shall execute, acknowledge and deliver to the Owner and to its predecessor trustee an instrument accepting such appointment hereunder and, subject to the provisions of Section 8.06(a), thereupon the resignation or removal of the predecessor trustee shall become effective and such successor trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, duties and obligations of its predecessor hereunder, with like effect as if originally named as Trustee herein; but, nevertheless, on the Request of the Owner or written request of the successor trustee, upon payment of its charges then unpaid, the trustee ceasing to act shall execute and deliver an instrument transferring to such successor trustee all the rights and powers of the trustee so ceasing to act. Upon written request of any such successor trustee, the Owner shall execute any and all instruments in writing for more fully and certainly vesting in and confirming to such successor trustee all such rights and powers. Any trustee ceasing to act shall, nevertheless, retain a lien upon all property or funds held or collected by such trustee to secure any amounts then due it pursuant to the provisions of Section 8.05.

SECTION 8.08. Merger or Consolidation of Trustee. Any corporation into which the Trustee may be merged or converted or with which it may be consolidated or any corporation resulting from any merger, conversion or consolidation to which the Trustee shall be a party shall be the successor of the Trustee hereunder, provided that such corporation shall be qualified under the provisions of Section 8.06, without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

SECTION 8.09. Additional Trustees. (a) If at any time or times it shall be necessary or prudent in order to conform to any law of any jurisdiction in which the Trust Equipment or any part thereof is located, or the Trustee shall be advised by counsel, satisfactory to it, that it is so necessary or prudent in the interest of the holders of the Trust Certificates, or the holders of a majority in principal amount of Trust Certificates at the time outstanding shall in writing so request the Trustee and the Owner, the Trustee and the Owner shall execute and deliver all instruments and agreements necessary or proper to constitute another bank or trust company or one or more persons approved by the Trustee and the Owner either to act as cotrustee or cotrustees of all or any of the Trust Equipment, jointly with the Trustee originally named herein or any successor or successors, or to act as separate trustee or trustees of any such property. In the event the Owner shall have not joined in the execution of such instruments and agreements within 10 days after the receipt of a written request from the Trustee so to do, or in case an Event of Default hereunder shall have happened and be continuing, the Trustee may act under the foregoing provisions of this Section without the concurrence of the Owner; and the Owner hereby appoints the Trustee its agent and attorney to act for it under the foregoing provisions of this Section in either of such contingencies.

(b) Every additional trustee hereunder shall, to the extent permitted by law, be appointed and act and be such and the Trustee and its successors shall act and be such, subject to the following provisions and conditions, namely:

(1) the Trust Certificates shall be issued and delivered and all powers, duties, obligations and

rights conferred upon the Trustee in respect of the custody, control and management of moneys, papers or securities, shall be exercised solely by Continental Illinois National Bank and Trust Company of Chicago or its successor as Trustee hereunder;

(2) all rights, powers, duties and obligations conferred or imposed upon the Trustee shall be conferred or imposed upon and exercised or performed by Continental Illinois National Bank and Trust Company of Chicago or its successor as Trustee, and such additional trustee or trustees jointly, except to the extent that under any law of any jurisdiction in which any particular act or acts are to be performed, Continental Illinois National Bank and Trust Company of Chicago or its successor as Trustee, shall be incompetent or unqualified to perform such act or acts, in which event such rights, powers, duties and obligations shall be exercised and performed by such additional trustee or trustees;

(3) no power given hereby to, or which it is provided hereby, may be exercised by such additional trustee or trustees, except jointly with, or with the consent in writing of, Continental Illinois National Bank and Trust Company of Chicago or its successor as Trustee, anything herein contained to the contrary notwithstanding;

(4) no trustee hereunder shall be personally liable by reason of any act or omission of any other trustee hereunder; and

(5) the Owner and the Trustee, at any time, by an instrument in writing, executed by them jointly, may remove any such additional trustee, and in that case, by an instrument in writing executed by them jointly, may appoint a successor or successors to such trustee or trustees, as the case may be, anything herein contained to the contrary notwithstanding; in the event that the Owner shall not have joined in the execution of any such instrument within 10 days after the receipt of a written request from the Trustee so to do, the Trustee shall have the power to remove any such trustee and to appoint a successor to such trustee without the concurrence of the Owner, the Owner hereby appointing the Trustee its agent and attorney to act

for it in such connection in such contingency; in the event that the Trustee alone shall have appointed a successor additional trustee or trustees or cotrustee or cotrustees as above provided, it may at any time, by an instrument in writing, remove any such trustee or cotrustee the successor to any such trustee or cotrustee so removed to be appointed by the Owner and the Trustee, or by the Trustee alone, as hereinbefore in this Section 8.09 provided.

(c) Any additional trustee or any successor thereof may at any time by an instrument in writing constitute the Trustee his agent or attorney-in-fact, with full power and authority, to the extent which may be authorized by law, to do all acts and things and exercise all discretion which he is authorized or permitted to do or exercise, for and in his behalf and in his name. In case any additional trustee or any successor thereof shall die, become incapable of acting, resign or be removed, all the assets, property, rights, powers, trusts, duties and obligations of such additional trustee or such successors, as the case may be, so far as permitted by law, shall vest in and be exercised by whomsoever the Trustee shall appoint, without the appointment of a new successor to such additional trustee or such successor, unless and until a successor is appointed in the manner hereinbefore provided.

ARTICLE NINE

Miscellaneous

SECTION 9.01. Rights Confined to Parties and Holders. Nothing expressed or implied herein is intended or shall be construed to confer upon or give to any person, firm or corporation, other than the parties hereto and the holders of the Trust Certificates and the third-party beneficiaries specified herein, any right, remedy or claim under or by reason of this Agreement or of any term, covenant or condition hereof, and all the terms, covenants, conditions, promises and agreements contained herein shall be for the sole and exclusive benefit of the parties hereto and their successors and of the holders of the Trust Certificates.

SECTION 9.02. Amendment or Waiver. Any provision of this Agreement may be amended or waived with

the written consent of the holders of not less than 66-2/3% of the aggregate unpaid principal amount of the Trust Certificates then outstanding; provided, however, that without the consent of the holders of 100% of the aggregate unpaid principal amount of Trust Certificates then outstanding, no such amendment or waiver shall (1) reduce the amount of principal, change the amount or dates of payment of installments of principal or reduce the rate or extend the time of payment of interest with respect to the Trust Certificates without the consent of the holders of each Trust Certificate so affected, (2) reduce the amount of or extend the time of payment of any rentals payable under this Agreement or release or provide for the release of any of the Trust Equipment or any other property or cash held by the Trustee in trust otherwise than as expressly permitted by the present terms of this Agreement, or (3) reduce the percent of the aggregate unpaid principal amount of Trust Certificates then outstanding, the holders of which are required to approve any amendment or to effect any waiver; provided further, however, that no such amendment or waiver shall modify the rights, duties or immunities of the Trustee without the prior written consent of the Trustee; provided finally, however, that no such amendment or waiver shall modify the rights or obligations of, or otherwise materially affect, the Lessee hereunder without the prior written consent of the Lessee. The Trustee may enter into supplements hereto required by Section 3.01, 4.05 or 4.06 without the consent of any of the holders of the Trust Certificates.

Any amendment or waiver in respect of the Lease may be consented to by the Trustee with the written consent of the holders of a majority of the aggregate unpaid principal amount of the Trust Certificates then outstanding; provided, however, that, if such amendment or waiver would reduce the amount of or extend the time for payment of any rentals or other obligations under the Lease in a manner so as to affect the due and punctual payment of the principal of and interest on the Trust Certificates and the other obligations of the Owner hereunder, the Trustee shall not consent thereto without the prior written approval of the holders of 100% of the aggregate unpaid principal amount of Trust Certificates then outstanding.

SECTION 9.03. Binding upon Assigns. Except as otherwise provided herein, the provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

SECTION 9.04. Notice. All demands, notices and communications hereunder shall be in writing and shall be

deemed to have been duly given if personally delivered at or mailed by registered mail to (a) the Owner at the address set forth for the Owner in the Lease or such other address as may hereafter be furnished to the Trustee, in writing by the Owner, (b) the Trustee at 30 North La Salle Street, Chicago, Illinois 60693, Attention of Corporate Trust Department, or such other address as may hereafter be furnished in writing by the Trustee and (c) in the case of any holder of the Trust Certificates, at such address as is provided in the Participation Agreement or as otherwise furnished in writing to the Trustee. An affidavit by any person representing or acting on behalf of the Trustee, the Owner or the holders of the Trust Certificates as to such mailing, having the registry receipt attached, shall be conclusive evidence of the giving of such demand, notice or communication.

SECTION 9.05. Satisfaction of Obligations. The obligations of the Owner under Sections 4.05, 4.06 (other than the second paragraph thereof), 4.08, 4.09, 4.10, 5.06, 6.01 (other than the proviso to the last paragraph thereof) and 6.02, but excluding any provisions requiring the execution of any instrument by the Owner, shall be deemed in all respects satisfied by the Lessee's undertakings contained in the Lease. The Owner shall have no responsibility for the Lessee's failure to perform such undertakings, but if any of the same shall not be performed it shall constitute the basis for an Event of Default under Section 5.01. No waiver or amendment of the Lessee's undertakings under the Lease shall be effective unless joined in by the Trustee. If and to the extent the Lessee shall purchase any units of Trust Equipment under Option D of § 9 of the Lease, the Lessee shall enter into an appropriate written agreement, reasonably satisfactory to the Trustee and the Owner, to provide that, from and after the date of purchase, the Lessee shall assume and be liable for all of the obligations of the Owner hereunder accruing thereafter with respect to such purchased units, it being understood that, in such case, the Lessee shall be liable with recourse and shall not be entitled to the benefits of the last paragraph of Section 4.03 or the preceding provisions of this Section 9.05.

SECTION 9.06. Effect of Headings. The Article and Section headings herein are for convenience only and shall not affect the construction hereof.

SECTION 9.07. Date Executed. This Agreement shall be deemed to have been executed on the date of the acknowledgment thereof by the officer of the Trustee who signed it on behalf of the Trustee.

SECTION 9.08. Law Governing. The provisions of this Agreement, and all the rights and obligations of the parties hereunder, shall be governed by the laws of the Commonwealth of Pennsylvania. The Owner, being a body corporate, hereby agrees that The Limitation of Civil Rights Acts of the Province of Saskatchewan, and amendments thereto, shall have no application to this Trust Agreement or any extensions or renewals hereof, or to any agreement collateral hereto, or to the rights, powers or remedies of the Trustee or any other person under this Trust Agreement, or any extension or renewal hereof, or any agreement collateral hereto, and hereby waives and releases all its rights, benefits and protection given it by Sections 23 through 28, inclusive, of the Chattel Mortgage Act of the Province of British Columbia, and amendments thereto and by Sections 19 through 24, inclusive, of the Sale of Goods on Condition Act of the Province of British Columbia, and amendments thereto.

IN WITNESS WHEREOF, the Trustee and the Owner have caused their names to be signed hereto by their respective officers thereunto duly authorized and their respective seals, duly attested, to be hereunto affixed as of the day and year first above written.

AMERIGAS, INC.,

[Corporate Seal]

Attest:


Secretary

by


VICE PRESIDENT

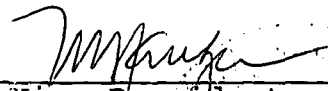
CONTINENTAL ILLINOIS NATIONAL
BANK AND TRUST COMPANY OF
CHICAGO,

[Seal]

Attest:


Trust Officer

by


Vice President

COMMONWEALTH OF PENNSYLVANIA,)
COUNTY OF *Montgomery*) ss.:

On this *16th* day of *October* 1980, before me personally appeared *Jack L. Messman*, to me personally known, who, being by me duly sworn, says that he is *Vice President* of AMERIGAS, INC., that one of the seals affixed to the foregoing instrument is the seal of said corporation, that said instrument was signed and sealed on behalf of said corporation association by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Cheryl Lynne Plunkett
Notary Public

[Notarial Seal]

CHERYL LYNNE PLUNKETT, NOTARY PUBLIC
UPPER MERION TWP., MONTGOMERY COUNTY
MY COMMISSION EXPIRES APR 12, 1984
Member, Pennsylvania Association of Notaries

STATE OF ILLINOIS,)
COUNTY OF COOK,) ss.:

On this *14th* day of *October* 1980, before me personally appeared *M. J. Kruger*, to me personally known, who, being by me duly sworn, says that he is a Vice President of CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO, that one of the seals affixed to the foregoing instrument is the seal of said bank, that said instrument was signed and sealed on behalf of said bank by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said bank.

Heidi Kruger
Notary Public

[Notarial Seal]

My Commission Expires December 6, 1981

SCHEDULE A

<u>Trust Equipment Description</u>	<u>AAR Mechanical Designation</u>	<u>Units of Trust Equipment</u>	<u>Serial Numbers (Incl.)</u>
100-ton, 4,750 cu. ft. capacity covered hopper cars	LO	205	483249- 483453

SCHEDULE B
to
Equipment Trust Agreement

[Form of Trust Certificates]

NOTE: This Trust Certificate has not been registered under the Securities Act of 1933 and must be held indefinitely unless a subsequent disposition hereof is exempt from the registration requirements of said Act.

\$

No.

12-7/8% Equipment Trust Certificates,

Due November 1, 1992,

Secured by North American Car Corporation Lease 1980-II

Total Authorized Issue: \$6,602,018

CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST
COMPANY OF CHICAGO,

Trustee

CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO, not in its individual capacity but solely as Trustee ("Trustee"), under an Equipment Trust Agreement ("Agreement") dated as of August 1, 1980, between the Trustee and AMERIGAS, INC. ("Owner"), hereby certifies that

or registered assigns is entitled to an interest of

Dollars in Equipment Trust, Secured by North American Car Corporation Lease 1980-II, due and payable on or before November 1, 1992, in installments as hereinafter provided, and to interest on the amount of unpaid principal from time to time due and owing pursuant to this Trust Certificate at the rate of 12-7/8% per annum. Interest on this Trust Certificate shall be calculated on the basis of a 360-day year of 12 30-day months.

This Trust Certificate shall be payable as follows: interest only shall be payable on the principal amount of this Trust Certificate on November 1, 1980;

thereafter, principal and interest payments shall be made in 24 consecutive semiannual installments on May 1 and November 1 in each year commencing May 1, 1981, calculated so that the amount of principal and interest payable on each such date shall be substantially in proportion to the amount of principal and interest set forth in respect of such date in Schedule C to the Agreement and such installments of principal shall completely amortize the principal amount of this Trust Certificate.

Interest on any overdue principal and interest, to the extent legally enforceable, shall be payable at the rate of 13-7/8% per annum. Payments of principal and interest shall be made by the Trustee to the registered holder hereof at the Corporate Trust Office of the Trustee at 30 North La Salle Street, Chicago, Illinois 60693 ("Corporate Trust Office"), in such coin or currency of the United States of America as, at the time of payment, shall be legal tender for the payment of public and private debts. Each of such payments shall be made only from and out of rentals or other moneys received by the Trustee and applicable to such payment under the provisions of the Agreement. Except as provided in Sections 3.01 and 4.06 of the Agreement, prepayments of installments of the principal amount of this Trust Certificate may not be made.

This Trust Certificate is one of an authorized issue of Trust Certificates in an aggregate principal amount not exceeding U.S.\$6,602,018 and issued or to be issued under the Agreement. Reference is made to the Agreement (a copy of which is on file with the Trustee at the Corporate Trust Office) for a more complete statement of the terms and provisions thereof, including the rights, obligations and limitations of liabilities of the parties thereto, to all of which the registered holder hereof, by accepting this Trust Certificate, assents.

The transfer of this Trust Certificate is registerable in whole or in part by the registered holder hereof in person or by duly authorized attorney on the books of the Trustee upon surrender to the Trustee at the Corporate Trust Office of this Trust Certificate accompanied by a written instrument of transfer, duly executed by the registered holder in person or by such attorney, in form satisfactory to the Trustee, and thereupon a new Trust Certificate or Certificates for the then unpaid aggregate principal amount hereof will be

issued to the transferee in exchange herefor and, if less than the then entire unpaid principal amount hereof is transferred, a balance piece therefor will be issued to the transferor. Prior to due presentment for registration of transfer, the Trustee may deem and treat the person in whose name this Trust Certificate is registered as the absolute owner hereof for the purpose of receiving payment of principal and interest and for all other purposes and shall not be affected by any notice to the contrary.

In case of the happening of an Event of Default (as defined in the Agreement) all installments of principal (and interest accrued thereon) represented by this Trust Certificate may become or be declared due and payable in the manner and with the effect provided in the Agreement.

As more fully set forth in Section 4.03 of the Agreement, the liability of the Owner under the Agreement shall not exceed an amount equal to the income and proceeds from the Trust Equipment.

The provisions of this Trust Certificate and all the rights and obligations arising hereunder shall be governed by the laws of the Commonwealth of Pennsylvania.

IN WITNESS WHEREOF, the Trustee has caused this Trust Certificate to be signed by one of its Authorized Officers, by his signature or a facsimile thereof, and its seal or a facsimile thereof to be hereunto affixed or hereon imprinted and to be attested by one of its Authorized Officers by his signature.

Dated as of

CONTINENTAL ILLINOIS NATIONAL
BANK AND TRUST COMPANY OF
CHICAGO,

[Seal]

by

Attest:

Vice President

Trust Officer

SCHEDULE C
to
Equipment Trust Agreement

Payments Required Per \$1,000,000
Aggregate Principal Amount

<u>Date</u>	<u>Total Payment</u>	<u>Interest Payment</u>	<u>Principal Recovery</u>	<u>Remaining Principal Balance</u>
\$	\$	\$	\$	\$
11/1/80	*	*	0.00	1,000,000.00
5/1/81	82,928.83	64,375.00	18,553.83	981,446.17
11/1/81	82,928.83	63,180.60	19,748.23	961,697.94
5/1/82	82,928.83	61,909.30	21,019.53	940,678.41
11/1/82	82,928.83	60,556.17	22,372.66	918,305.75
5/1/83	82,928.83	59,115.93	23,812.90	894,492.85
11/1/83	82,928.83	57,582.98	25,345.85	869,147.00
5/1/84	82,928.83	55,951.34	26,977.49	842,169.51
11/1/84	82,928.83	54,214.66	28,714.17	813,455.34
5/1/85	82,928.83	52,366.19	30,562.64	782,892.70
11/1/85	82,928.83	50,398.72	32,530.11	750,362.59
5/1/86	82,928.83	48,304.59	34,624.24	715,738.35
11/1/86	82,928.83	46,075.66	36,853.17	678,885.18
5/1/87	82,928.83	43,703.23	39,225.60	639,659.58
11/1/87	82,928.83	41,178.09	41,750.74	597,908.84
5/1/88	82,928.83	38,490.38	44,438.45	553,470.39
11/1/88	82,928.83	35,629.66	47,299.17	506,171.22
5/1/89	82,928.83	32,584.77	50,344.06	455,827.16
11/1/89	82,928.83	29,343.87	53,584.96	402,242.20
5/1/90	82,928.83	25,894.34	57,034.49	345,207.71
11/1/90	82,928.83	22,222.75	60,706.08	284,501.63
5/1/91	82,928.83	18,314.79	64,614.04	219,887.59
11/1/91	82,928.83	14,155.26	68,773.57	151,114.02
5/1/92	82,928.83	9,727.97	73,200.86	77,913.16
11/1/92	82,928.82	5,015.66	77,913.16	
Total			1,000,000.00	

* Interest at the rate of 12-7/8% per annum from and including the Closing Date to November 1, 1980.

Annex I to the
Equipment Trust Agreement

[CS&M Ref. 1413-020]
[NAC Lease 1980-II]

LEASE OF RAILROAD EQUIPMENT

Dated as of August 1, 1980

Between

NORTH AMERICAN CAR CORPORATION,
Lessee,

and

AMERIGAS, INC.,
Owner.

The rights and interests of the Lessor under this Lease are subject to a security interest in favor of Continental Illinois Bank and Trust Company of Chicago, as Trustee for certain institutional investors. The original of this Lease is held by said Trustee.

LEASE OF RAILROAD EQUIPMENT

TABLE OF CONTENTS*

This Table of Contents has been included in this document for convenience only and does not form a part of, or affect any construction or interpretation of this document.

	<u>Page</u>
PARTIES	L-1
PREAMBLES	L-1
§ 1. Net Lease	L-2
§ 2. Delivery and Acceptance of Units	L-2
§ 3. Rentals	L-3
§ 4. Term of Lease	L-4
§ 5. Identification Marks	L-5
§ 6. Taxes	L-6
§ 7. Payment for Casualty Occurrences; Insurance ..	L-9
§ 8. Reports	L-12
§ 9. Disclaimer of Warranties; Compliance with Laws and Rules; Maintenance; Indemnification	L-13
§ 10. Default	L-21
§ 11. Return of Units upon Default	L-25
§ 12. Assignment; Possession and Use	L-26
§ 13. Return of Units upon Expiration of Term	L-29

	<u>Page</u>
§ 14. Recording	L-31
§ 15. Owner's Right To Perform for the Lessee	L-32
§ 16. Interest on Overdue Rentals	L-32
§ 17. Notices	L-32
§ 18. Severability; Effect and Modification of Lease	L-33
§ 19. Execution	L-33
§ 20. Law Governing	L-34
TESTIMONIUM	L-34
SIGNATURES	L-34
ACKNOWLEDGMENTS	L-35
SCHEDULE A Equipment Schedule	L-36
SCHEDULE B Casualty Values	L-37
SCHEDULE C Form of Certificate of Acceptance	L-38

LEASE OF RAILROAD EQUIPMENT, dated as of August 1, 1980, between NORTH AMERICAN CAR CORPORATION, a Delaware corporation ("Lessee"), and AMERIGAS, INC., a Pennsylvania corporation ("Owner").

The Lessee, the Owner and Aetna Life Insurance Company and The Aetna Casualty and Surety Company (together with their respective successors and assigns called "Purchasers") are entering into a Participation Agreement ("Participation Agreement") dated as of the date hereof.

The Owner is entering into an Equipment Trust Agreement ("Security Document") with CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO ("Trustee"), pursuant to which equipment trust certificates ("Trust Certificates") will be issued and sold to finance a portion of the purchase price of units of railroad equipment described in Schedule A hereto ("Equipment") to be built by the manufacturer thereof ("Builder"), and the Owner will be obligated to make payments equal to the principal of and interest on the Trust Certificates out of the rentals received hereunder and a security interest in the Equipment will be conveyed to the Trustee until the Owner fulfills all its obligations under the Security Document.

The Lessee desires to lease from the Owner all the units of the Equipment as are delivered and accepted under the Security Document at the rentals and for the term and upon the conditions hereinafter provided (each such unit being hereinafter called a "Unit").

The Owner will assign this Lease to the Trustee pursuant to an Assignment of Lease and Agreement ("Lease Assignment"), substantially in the form attached to the Security Document as Annex II, and the Lessee will consent to the Lease Assignment pursuant to a Consent and Agreement ("Consent") substantially in the form attached to the Lease Assignment.

NOW, THEREFORE, in consideration of the rentals to be paid and the covenants hereinafter mentioned to be kept and performed by the Lessee, the Owner hereby leases the Units to the Lessee upon the following terms

and conditions:

§ 1. Net Lease. This Lease is a net lease. The Lessee's obligation to pay all rentals and other amounts hereunder shall be absolute and unconditional and, except as herein provided, the Lessee shall not be entitled to any abatement of rent, reduction thereof or setoff against rent, including, but not limited to, abatements, reductions or setoffs due or alleged to be due by reason of any past, present or future claims of the Lessee against the Owner under this Lease or under the Security Document, including the Lessee's rights by subrogation thereunder against the Builder or the Trustee or otherwise; nor, except as otherwise expressly provided herein, shall this Lease terminate, or the respective obligations of the Owner or the Lessee be otherwise affected, by reason of any defect in or damage to or loss of possession or loss of use or destruction of all or any of the Units from whatsoever cause, any liens, encumbrances or rights of others with respect to any of the Units, the prohibition of or other restriction against the Lessee's use of all or any of the Units, the interference with such use by any person or entity, the invalidity or unenforceability or lack of due authorization of this Lease, any insolvency of or the bankruptcy, reorganization or similar proceeding against the Lessee, or for any other cause whether similar or dissimilar to the foregoing, any present or future law to the contrary notwithstanding, it being the intention of the parties hereto that the rents and other amounts payable by the Lessee hereunder shall continue to be payable in all events in the manner and at the times herein provided unless the obligation to pay the same shall be terminated pursuant to the express provisions of this Lease. To the extent permitted by applicable law, the Lessee hereby waives any and all rights which it may now have or which at any time hereafter may be conferred upon it, by statute or otherwise, to terminate, cancel, quit or surrender the lease of any of the Units except in accordance with the express terms hereof. Each rental or other payment made by the Lessee hereunder shall be final and the Lessee shall not seek to recover all or any part of such payment (except for any excess payment made in error) from the Owner, the Trustee or any holder of the Trust Certificates for any reason whatsoever.

§ 2. Delivery and Acceptance of Units. The Owner hereby appoints the Lessee its agent for inspection

and acceptance of the Units pursuant to the Security Document. Each delivery of a Unit to the Owner under the Security Document shall be deemed to be a delivery hereunder to the Lessee at the point or points designated by the Lessee at which such Unit is delivered to the Owner and the Trustee under the Security Document. Upon such delivery, the Lessee will cause an employee or agent of the Lessee to inspect the same, and if such Unit is found to be acceptable, to accept delivery of such Unit on behalf of the Owner and the Trustee under the Security Document and on behalf of itself hereunder, and execute and deliver to the Owner and the Trustee a certificate of acceptance ("Certificate of Acceptance") substantially in the form attached hereto in Schedule C, whereupon such Unit shall be deemed to have been delivered to and accepted by the Lessee, the Owner and the Trustee, and shall be subject thereafter to all the terms and conditions of this Lease and the Security Document. The Lessee hereby represents and warrants to the Owner that no Unit shall be put into service earlier than the date of its delivery to and acceptance by the Lessee as agent for the Owner and the Trustee hereunder.

§ 3. Rentals. The Lessee agrees to pay to the Owner, as rental for each Unit subject to this Lease, one special rental on November 1, 1980, and 24 consecutive semiannual payments payable in arrears on May 1 and November 1 in each year commencing May 1, 1981, to and including November 1, 1992. The special rental payable on November 1, 1980, shall be in an amount equal to interest due on that date on the Trust Certificates and the 24 semiannual rental payments shall each be in an amount equal to \$2,922.00 per Unit.

In no event shall the aggregate of the rentals provided for above on any rental payment date be less than the periodic principal and/or interest payments due on each such date pursuant to Section 2.02 of the Security Document.

In addition to the foregoing rentals, the Lessee will pay to the Trustee the following additional rentals: (i) an amount equal to the obligations of the Owner to the Trustee under Paragraph 12 of the Participation Agreement, (ii) an amount equal to the interest required to be paid in connection with any prepayment of Trust Certificates described in the third paragraph of Section 3.01 of the Security Document and (iii) an amount equal to any

amount due under Section 4.03(A)(ii) of the Security Document, in each case on such date as such amount shall be due.

If any of the rental payment dates referred to above is not a Business Day (as defined in the Security Document), the rental payment otherwise payable on such date shall then be payable on the next succeeding Business Day.

For so long as the Security Document shall remain in effect, the Owner irrevocably instructs the Lessee to make all the payments due the Owner provided for in this Lease, other than amounts payable directly to the Owner pursuant to § 6 or § 9 hereof, to the Trustee, for the account of the Owner, in care of the Trustee, with instructions to the Trustee (a) first, to apply such payments to satisfy the obligations of the Owner under the Security Document due and payable on the date such payments are due and payable hereunder and (b) second, so long as no Event of Default (or event which, with notice or lapse of time or both, could constitute an Event of Default) under the Security Document shall have occurred and be continuing, to pay any balance promptly to the Owner in immediately available funds at such address as the Owner shall specify in writing.

The Lessee agrees to make each payment contemplated by this § 3 in immediately available funds at or prior to 10:00 a.m., Chicago time, at the Corporate Trust Office (as defined in the Security Document) on the date due, or if the Security Document shall no longer be in effect, at the office of the Owner.

§ 4. Term of Lease. The term of this Lease as to each Unit shall begin on the date of delivery and acceptance of such Unit hereunder and, subject to the provisions of §§ 7, 10 and 13 hereof, shall terminate on November 1, 1992. The obligations of the Lessee hereunder (including, but not limited to, the obligations under §§ 3, 6, 7, 9 and 14 hereof) shall survive the expiration of the term of this Lease or the termination or rescission of this Lease.

Notwithstanding anything to the contrary contained herein, all rights and obligations of the Lessee under this Lease and in and to the Units are subject to the rights of the Trustee under the Security Document, and,

if an Event of Default should occur under the Security Document, the Trustee may terminate this Lease (or rescind its termination), all as provided therein; provided, however, that so long as (i) no Event of Default exists hereunder, (ii) the Lessee is complying with the provisions of the Consent and (iii) the Trustee is entitled to apply the Payments (as defined in the Lease Assignment) in accordance with the Lease Assignment, this Lease may not be terminated and the Lessee shall be entitled to the rights of possession, use and assignment provided Hereunder.

§ 5. Identification Marks. The Lessee will cause each Unit to be kept numbered with the serial number set forth in Schedule A hereto, and will keep and maintain plainly, distinctly, permanently and conspicuously marked on each side of each Unit, in letters not less than one inch in height, the words "OWNERSHIP SUBJECT TO AN EQUIPMENT TRUST OR SECURITY AGREEMENT AND/OR VESTED IN A TRUSTEE OR OTHER PERSON OR ENTITY AS SET FORTH IN A BAILMENT AGREEMENT OR LEASE FILED WITH THE INTERSTATE COMMERCE COMMISSION", with appropriate changes thereof as from time to time may be required by law in order to protect the Trustee's and the Owner's title to and interest in such Unit and the rights of Trustee under the Security Document. The Lessee will not place any such Unit in operation or exercise any control or dominion over the same until such words shall have been so marked and will replace promptly any such markings which may be removed, defaced, obliterated or destroyed. The Lessee will not change the serial number of any Unit unless (i) the Trustee shall have been informed in writing of the new number or numbers to be substituted therefor and the Lessee shall have prepared and executed an appropriate amendment hereto which, promptly after execution and delivery by the Owner, shall be duly filed, recorded and deposited by the Lessee in all public offices where this Lease shall have been filed, recorded and deposited and (ii) the Lessee thereafter shall have furnished the Trustee and the Owner an Opinion of Counsel (as defined in the Security Document) to the effect that such amendment has been so filed and deposited, that such filing, recording and deposit will protect the Trustee's and the Owner's rights in such Units under the Lease and that no other filing, recording, deposit or giving of notice with or to any Federal, state or local government or agency thereof is necessary to protect such rights of the Trustee and the Owner.

The Units may be marked or lettered with the

name of the Lessee or in some other appropriate manner for convenience of identification of the leasehold interest of the Lessee therein, and may also be marked or lettered, in case of a sublease of any Units permitted by § 12 hereof, in such manner as may be appropriate for convenience of identification of the sublease interest therein; but the Lessee will not allow the name of any person, association or corporation to be placed on any Unit as a designation that might be interpreted as a claim of ownership.

§ 6. Taxes. Whether or not any of the transactions contemplated hereby is consummated, the Lessee agrees to pay, and to indemnify and hold the Owner, the Trustee, the holders of Trust Certificates and the estate held in trust by the Trustee under the Security Document harmless from, all taxes, assessments, fees and charges of any nature whatsoever, together with any penalties, fines, additions to tax or interest thereon, howsoever imposed, whether levied or imposed upon the Owner, the Trustee, the holders of Trust Certificates, the Lessee, the trust estate created by the Security Document or otherwise, by any Federal, state or local government or governmental subdivision in the United States or by any foreign country or subdivision thereof, upon or with respect to: any Unit or any part thereof; the purchase, ownership, delivery, leasing, subleasing, possession, use, operation, transfer of title, return or other disposition thereof; the rentals, receipts or earnings arising therefrom or value added thereto; this Lease, the Lease Assignment, the Consent, the Participation Agreement, the Security Document, the Trust Certificates or the issuance thereof under the Security Document, any payment made pursuant to any such agreement, or the property, the income or other proceeds received with respect to property held in trust by the Trustee under the Security Document (all such taxes, assessments, fees, charges, penalties, fines, additions to tax and interest imposed as aforesaid being hereinafter called "Taxes"); excluding, however: (i) Taxes of the United States or of any state or political subdivision thereof and (if and to the extent that any person indemnified hereunder is then currently allowed a credit therefor against its United States Federal income taxes) of any foreign country or subdivision thereof, imposed on or measured solely by the net income or excess profits of the Owner, the holders of Trust Certificates or the Trustee (in its individual capacity) other than Taxes arising out of or imposed in respect of the receipt of indemnification payments pursuant to this Lease or the Participation Agreement; (ii) any Taxes

imposed as a direct result of a voluntary transfer or other voluntary disposition by the Owner or any transfer or disposition by the Owner resulting from bankruptcy or other proceedings for the relief of creditors in which the Owner is the debtor, whether voluntary or involuntary, of any interest in any Unit or interest in rentals under this Lease without the consent of the Lessee, unless, in each case, such transfer or disposition is required or contemplated by this Lease or an Event of Default shall have occurred and be continuing; and (iii) any Taxes imposed on or measured by any trustee fees received by the Trustee; provided, however, that the Lessee shall not be required to pay any Taxes during the period it may be contesting the same in the manner provided in the fourth paragraph of this § 6. The Lessee further agrees to pay on or before the time or times prescribed by law any tax imposed on or measured solely by the net income of the Lessee (or the affiliated group, within the meaning of section 1504 of the Internal Revenue Code of 1954, as amended, of which the Lessee is a member) under the laws of the United States or of any state or political subdivision thereof, or of any foreign country or subdivision thereof which, if unpaid, might result in a lien or other encumbrance upon any Unit; provided, however, that the Lessee shall not be required to pay any such tax during the period it may be contesting the same in good faith.

In the event the Lessee, pursuant to the preceding paragraph, makes a payment to a person indemnified hereunder on account of Taxes of any foreign country or subdivision thereof imposed on or measured solely by net income or excess profits, and such person in one of its subsequent taxable years is allowed a credit for such Taxes against its United States Federal income taxes, such person shall pay to the Lessee a sum which, after reduction by the Federal tax savings which such person derives from making the payment, is equal to the amount of the credit. For purposes of the preceding sentence it shall be assumed that all other foreign taxes of the person indemnified hereunder which qualify for such credit are first utilized.

In the event that the Owner shall become obligated to make any payment to the Trustee or otherwise pursuant to any corresponding provision of the Security Document not covered by the foregoing provisions of this § 6, the Lessee shall pay such additional amounts (which shall also be deemed Taxes hereunder) to the Owner to fulfill completely its obligations pursuant to said

provision.

The amount which the Lessee shall be required to pay with respect to any Taxes indemnified against pursuant to this § 6 shall be an amount sufficient to restore the indemnified party to the same position such indemnified party would have been in had such Taxes not been imposed. In the case of any Taxes, which are paid directly by an indemnified party and for which such indemnified party is to be reimbursed pursuant to this § 6, the Lessee shall make payment to such indemnified party entitled thereto promptly upon receipt of notice from such indemnified party setting forth the basis for such reimbursement.

If claim is made against any indemnified party for any Taxes indemnified against under this § 6, such party shall promptly notify the Lessee. If reasonably requested by the Lessee in writing, such indemnified party shall, upon receipt of indemnity satisfactory to it for all costs, expenses, losses, legal and accountants' fees and disbursements, penalties, fines, additions to tax and interest, and at the expense of the Lessee, contest in good faith the validity, applicability or amount of such Taxes by (a) resisting payment thereof if possible, (b) not paying the same except under protest, if protest is necessary and proper, and (c) if payment is made, using reasonable efforts to obtain a refund thereof in appropriate administrative or judicial proceedings, or both. The Lessee may also contest, at its own expense, the validity, applicability or amount of such Taxes in the name of such indemnified party; provided, however, that no proceeding or action relating to such contest shall be commenced (nor shall any pleading, motion, brief or other paper be submitted or filed in the name of such indemnified party in any such proceeding or action) without the prior written consent of such indemnified party, which consent may not be unreasonably withheld. If such indemnified party shall obtain a refund of all or any part of such Taxes previously reimbursed by the Lessee in connection with any such contest or an amount representing interest thereon applicable to the amount paid by the Lessee and the period of such payment, such indemnified party shall pay to the Lessee an amount equal to the sum of such refund or interest net of expenses plus any Tax savings realized as the result of any payment made pursuant to this sentence when, as, if and to the extent such Tax savings are realized; provided, however, that no Event of Default and no event which, with

notice or lapse of time or both, would constitute an Event of Default shall have occurred and be continuing.

In case any report or return is required to be made with respect to any Taxes, the Lessee shall either make such report or return in such manner as will show the interests of the Owner and the Trustee in the Units, or shall promptly notify the Owner and the Trustee of such requirement and shall make such report or return in such manner as shall be satisfactory to the Trustee and the Owner. All costs and expenses (including legal and accountants' fees) of preparing any such return or report shall be borne by the Lessee.

All the obligations of the Lessee under this § 6 shall survive and continue, but only with respect to periods included in the term of this Lease, notwithstanding payment in full of all amounts due under the Security Document or the termination of this Lease. All amounts payable by the Lessee pursuant to this § 6 shall be payable directly to the indemnified party entitled to indemnification, except to the extent paid to a governmental agency or taxing authority. The foregoing indemnities by the Lessee shall not constitute a guarantee by the Lessee of the payment of any installments of principal or interest payable under the Trust Certificates.

The Lessee shall furnish promptly, upon request, such information and data as is normally available to the Lessee and which the Trustee or the Owner reasonably may require to permit compliance with the requirements of any taxing authorities.

§ 7. Payment for Casualty Occurrences; Insurance. In the event that any Unit shall be or become worn out, lost, stolen, destroyed, irreparably damaged, or permanently rendered unfit for use from any cause whatsoever, or taken or requisitioned by condemnation or otherwise resulting in loss of possession by the Lessee for a period of 90 consecutive days, except requisition for use by the United States Government for a period not in excess of the then remaining term of this Lease or if Option C under § 9 hereof shall be elected with respect thereto ("Casualty Occurrence") during the term of this Lease, or during the period prior to the date such Unit shall have been returned in the manner provided in § 11 or § 13 hereof, the Lessee shall promptly and fully notify the Owner and the Trustee with respect thereto and concurrently

therewith file with the Owner and the Trustee the Officer's Certificate required by Section 4.06 of the Security Document. On the rental payment date next succeeding the delivery of such notice and Officer's Certificate, the Lessee shall pay to the Owner an amount equal to the rental payment or payments in respect of such Unit due and payable on such date plus an amount equal to the Casualty Value (as hereinafter defined) of such Unit which suffered a Casualty Occurrence as of the date of such payment in accordance with Schedule B hereto. Upon the making of such payment by the Lessee in respect of any Unit, the rental for such Unit shall cease to accrue as of the date of such payment, the term of this Lease as to such Unit shall terminate and (except in the case of the loss, theft or complete destruction of such Unit) the Owner shall be entitled to recover possession of such Unit; and if such Casualty Occurrence results from the taking or requisitioning by condemnation or otherwise, the Lessee shall be entitled to receive condemnation payments in respect of such Unit up to an amount equal to such Casualty Value, and any balance of such payments shall be the property of the Owner.

The Owner hereby appoints the Lessee its agent to dispose of any Unit, or any component thereof, suffering a Casualty Occurrence before or after the expiration of this Lease, at the best price obtainable on an "as is, where is" basis. Provided that the Lessee has previously paid the Casualty Value to the Owner and there is no Event of Default hereunder and no event then exists which after notice or lapse of time or both would become an Event of Default hereunder, (i) the Lessee shall be entitled to the proceeds of such sale to the extent they do not exceed the Casualty Value of such Unit, and shall pay any excess (less expenses of sale incurred by the Lessee in the sale of such Unit) to the Owner (ii) but the Lessee shall be entitled to the proceeds of any insurance paid for by it in respect of such Unit and shall be entitled to any compensation due in respect of such Unit under the interchange rules of the Association of American Railroads.

The "Casualty Value" of each Unit as of the date on which payment therefor is made as aforesaid shall be an amount equal to that percentage of the Purchase Price of such Unit as is set forth in Schedule B hereto opposite such date; provided, however, that in no event shall the Casualty Value be less than the amount required to be paid by the Owner to the Trustee pursuant to Section 4.06 of the Security Document.

Whenever any Unit shall suffer a Casualty Occurrence after the end of the term of this Lease and before such Unit shall have been returned in the manner provided in § 14 hereof, and whenever any Unit shall suffer a Casualty Occurrence while being stored as provided in § 14 hereof, the Lessee shall promptly and fully notify the Owner with respect thereto and pay to the Owner an amount equal to the Casualty Value of such Unit, which shall be an amount equal to 20% of the Purchase Price of such Unit. Upon the making of any such payment by the Lessee in respect of any Unit (except in the case of the loss, theft or complete destruction of such Unit), the Owner shall be entitled to recover possession of such Unit.

In the event of the requisition for use by the United States Government of any Unit during the term of this Lease or any renewal thereof, unless such requisition shall constitute a Casualty Occurrence, all of the Lessee's obligations under this Lease with respect to such Unit shall continue to the same extent as if such requisition had not occurred, except that if such Unit is returned by the Government at any time after the end of the term of this Lease, the Lessee shall be obligated to return such Unit to the Owner pursuant to § 11 or § 13 hereof, as the case may be, promptly upon such return by the Government rather than at the end of the term of this Lease; but the Lessee shall in all other respects comply with the provisions of said § 11 or § 13, as the case may be, with respect to such Unit. All payments received by the Owner or the Lessee from the Government for the use of such Unit during the term of this Lease shall be paid over to, or retained by, the Lessee provided no Event of Default (or other event which after notice or lapse of time or both would become an Event of Default) shall have occurred and be continuing; and all payments received by the Owner or the Lessee from the Government for the use of such Unit after the term of this Lease, shall be paid over to, or retained by, the Owner.

Except as hereinabove in this § 7 provided, the Lessee shall not be released from its obligations hereunder in the event of, and shall bear the risk of, any Casualty Occurrence to any Unit.

The Lessee maintains insurance on the Equipment when such Equipment is in its possession or control. Such insurance is of the types customarily carried by corporations of established reputation engaged in the same or a similar business and similarly situated, and insures

against risks of the kinds customarily insured against by such other corporations under similar circumstances. The Lessee will keep in effect its present or equivalent policies of insurance on the Equipment whereby the Lessee is insured against loss or damage with coverage in an amount at least equal to the fair value from time to time of the Equipment. When any of the Equipment is not in the Lessee's possession or control, in lieu of insurance, the Lessee's practice is to require sublessees of the Equipment to bear the risk of loss of the Equipment and the Lessee shall not be required to insure any Equipment the risk of loss of which is borne by the sublessee. The Lessee will pay the premiums on all policies of insurance required to be maintained by it pursuant to this provision and deliver to the Owner and the Trustee, at least once in every year, a certificate, signed by the President or by one of the Vice Presidents of the Lessee, stating that such insurance is in effect and naming the insurer or insurers. If the Lessee shall fail to maintain such insurance, the Owner or the Trustee may (but shall be under no obligation so to do) cause the Equipment to be insured in such amount as it shall deem advisable for the protection of the Owner and the holders of the Trust Certificates and may demand and recover from the Lessee the premiums on such insurance plus any financing expense incurred by it in order to pay such premiums.

§ 8. Reports. On or before April 1 in each year, commencing with the calendar year 1982, the Lessee will furnish to the Owner and the Trustee an Officer's Certificate (as defined in the Security Document) (a) setting forth as at the preceding December 31 (or as of the date of this Lease in the case of the first such Officer's Certificate) the amount, description and numbers of all Units then leased hereunder and covered by the Security Document, the amount, description and numbers of all Units that have suffered a Casualty Occurrence during the preceding calendar year (or since the date of this Lease in the case of the first such Officer's Certificate) (specifying the dates of such Casualty Occurrences) or to the knowledge of the Lessee are then undergoing repairs (other than running repairs) or are then withdrawn from use pending repairs (other than running repairs) and such other information regarding the condition and state of repair of the Units as the Owner or the Trustee may reasonably request and (b) stating that, in the case of all Units repainted or repaired during the period covered by such statement, the numbers and the markings required by § 5 hereof and the Security Document have been preserved or

replaced. The Owner shall have the right, at its own expense and risk, by its agents to inspect the Units and the Lessee's records with respect thereto at such reasonable times as the Owner may request during the continuance of this Lease.

§ 9. Disclaimer of Warranties; Compliance with Laws and Rules; Maintenance; Indemnification. THE OWNER DOES NOT MAKE, HAS NOT MADE OR SHALL NOT BE DEEMED TO MAKE OR HAVE MADE ANY WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE DESIGN, COMPLIANCE WITH SPECIFICATIONS, OPERATION OR CONDITION OF, OR AS TO THE QUALITY OF THE MATERIAL, EQUIPMENT OR WORKMANSHIP IN, THE UNITS OR ANY COMPONENT THEREOF DELIVERED TO THE LESSEE HEREUNDER, AND THE OWNER DOES NOT MAKE ANY WARRANTY OF MERCHANTABILITY OR FITNESS OF THE UNITS OR ANY COMPONENT THEREOF FOR ANY PARTICULAR PURPOSE, OR ANY OTHER REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO ANY UNIT OR ANY COMPONENT THEREOF (EITHER UPON DELIVERY THEREOF TO THE LESSEE OR OTHERWISE), it being agreed that all such risks, as between the Owner and the Lessee, are to be borne by the Lessee; but, so long as no Event of Default has occurred and is continuing, the Owner hereby irrevocably appoints and constitutes the Lessee its agent and attorney-in-fact during the term of this Lease to assert and enforce from time to time, in the name of and for the account of the Owner and the Lessee, as their interests may appear, at the Lessee's sole cost and expense, whatever claims and rights the Owner may have against the Builder or any supplier or railroad or maintenance or repair agency or shop; provided, however, that the Lessee shall be entitled to reimburse itself for its out-of-pocket expenses for asserting any claim from the proceeds of such claim. The Owner shall have no responsibility or liability to the Lessee or any other person with respect to any of the following: (i) any liability, loss or damage caused or alleged to be caused directly or indirectly by any Unit or by any inadequacy thereof or deficiency or defect therein or by any other circumstance in connection therewith; (ii) the use, operation or performance of any Unit or any risks relating thereto; (iii) any interruption of service, loss of business or anticipated profits or consequential damages; or (iv) the delivery, operation, servicing, maintenance, repair, improvement or replacement of any Unit. The Lessee's delivery of a Certificate of Acceptance shall be conclusive evidence as between the Lessee and the Owner (but not as between the Lessee and the Builder) that the Units described therein are in all the foregoing respects

satisfactory to the Lessee, and the Lessee will not assert any claim of any nature whatsoever against the Owner based on any of the foregoing matters.

The Owner will pay or discharge any and all claims, taxes, liens, charges or security interests claimed by any party from, through or under the Owner, not arising out of the transactions contemplated hereby (but including all taxes arising out of the receipt of rentals and other payments under this Lease or the Participation Agreement and any other proceeds from the Equipment), which, if unpaid, (i) might become a lien, charge or security interest on or with respect to any Unit of the Equipment or the Owner's interest in this Lease and the payments to be made hereunder or (ii) would result in the bankruptcy or reorganization of the Owner; but the Owner shall not be required to pay or discharge any such claim so long as the validity thereof shall be contested in good faith and by appropriate legal proceedings in any reasonable manner and the nonpayment thereof does not adversely affect the rights or interests of the Lessee or the Trustee.

The Lessee agrees, for the benefit of the Owner and the Trustee, to comply in all respects (including, without limitation, with respect to the use, maintenance and operation of each Unit) with all laws of the jurisdictions in which its operations involving the Units extend, with the interchange rules of the Association of American Railroads and with all lawful rules of the United States Department of Transportation, the Interstate Commerce Commission and any other legislative, executive, administrative or judicial body exercising any power or jurisdiction over the Units to the extent that such laws and rules affect the maintenance, operation or use of the Units (all such laws and rules to such extent being hereinafter called the "Applicable Laws"); provided, however, that the Lessee may, in good faith, contest the validity or application of any Applicable Law in any reasonable manner which does not, in the opinion of the Owner or the Trustee, adversely affect the property or rights of the Owner or the Trustee under this Lease or under the Security Document.

The Lessee, at its own cost and expense, will maintain and keep each Unit (including any accession thereto as hereinbelow provided) which is subject to this Lease in as good condition as when delivered to the Lessee hereunder, ordinary wear and tear excepted in accordance with the Interchange Rules of the American Association of Railroads and in the same condition as other similar equip-

ment owned or leased by the Lessee.

Alterations, replacements, modifications or additions of or to any Unit ("Modifications") shall be made in accordance with the provisions of this Section. The following terms for purposes of this Section shall have the respective meanings hereinafter specified.

(A) Required Modification shall mean a Modification (i) which is required by Applicable Laws and (ii) which is neither an Excess Required Modification nor a Minor Modification.

(B) Excess Required Modification shall mean a Modification (i) which is required by Applicable Laws, (ii) which is not a Minor Modification and (iii) the estimated cost of which when added to the cost of Required Modifications previously paid for or required to be paid for by the Owner, exceeds 32.1% of the aggregate "Purchase Price" (as defined in the Security Document) of the Equipment. Where a Modification, which is not a Minor Modification is required by Applicable Laws to be made to more than one Unit, the estimated cost of such Modifications shall be aggregated for purposes of determining whether such Modifications constitute Excess Required Modifications.

(C) Optional Removable Modification shall mean a Modification (i) which is not a Required Modification, an Excess Required Modification, or a Minor Modification, and (ii) which is readily removable without causing material damage to the Unit and does not adversely and materially affect the value of the Unit.

(D) Optional Fixed Modification shall mean a Modification (i) which is not a Required Modification, an Excess Required Modification, or a Minor Modification, and (ii) which is not readily removable without causing material damage to the Unit.

(E) Minor Modification shall mean a Modification, the estimated cost of which does not exceed 5% of the "Purchase Price" of the Unit to which the Modification is to be made.

The Lessee shall promptly and fully notify the

Owner of any Required Modification which must be made. Such notice shall include a description of the Modification, an estimate of the cost of the Modification, a description of the Applicable Laws which require such Modification to be made, and the date by which the Modification must be made. Such Modification shall be financed under Option A unless the Lessee in its notice to the Owner states that it elects Option B or Option D in which case the Option elected by the Lessee shall apply.

The Lessee shall promptly and fully notify the Owner of any Excess Required Modification which must be made. Such notice shall include a description of the Modification, an estimate of the cost of the Modification, a description of the Applicable Laws which require such Modification to be made, and the date by which the Modification must be made. Within 30 days after receipt of such notice, the Owner shall give notice to the Lessee stating whether or not the Owner is willing to utilize Option A. If the Owner states that it is willing to utilize Option A, that Option shall apply unless Lessee notifies the Owner, within 30 days after receipt of notice from the Owner, that the Lessee elects Option B, Option C or Option D, in which case the Option elected by the Lessee shall apply. If the Owner states that it is not willing to utilize Option A, Option B shall apply unless the Lessee, within 30 days of receipt of notice from the Owner, notifies the Owner that it elects Option C or Option D, in which case the Option elected by the Lessee shall apply.

The Lessee shall promptly and fully notify the Lessor of its desire to make an Optional Fixed Modification. Such notice shall include a description of the Modification, an estimate of the cost of the Modification, a statement of the business reasons for making such Modification, and the date by which such Modification is to be made. Within 30 days after receipt of such Notice, the Owner shall notify the Lessee whether the Owner consents to such Modification and if so whether the Owner is willing to utilize Option A. The Owner shall not unreasonably withhold consent. If the Owner states that it consents and is willing to utilize Option A, that Option shall apply unless the Lessee notifies the Owner, within 30 days after receipt of notice from the Owner, that the Lessee elects Option B or Option D, in which case the Option elected by the Lessee shall apply. If the Owner states that it consents but that it is not willing to utilize Option A, Option B shall apply unless the Lessee, within 30 days of receipt of notice from the Owner, notifies the Owner that it elects Option D, in

which case Option D shall apply. If the Owner does not consent, the Modification shall not be made and the Lessee shall not have the right to elect any of the Options; provided, however, that if the Owner does not consent and if the Optional Fixed Modification would not adversely and materially affect the value of the Unit to which it is to be made, the Lessee may make the Modification pursuant to Option B.

The Lessee from time to time may make Optional Removable Modifications. Option B shall apply to all Optional Removable Modifications. The Lessee shall make all Minor Modifications which are required by Applicable Laws and from time to time may make Minor Modifications which are not required by Applicable Laws; provided, however, that the Lessee shall not make any Minor Modifications not required by Applicable Laws which would adversely and materially affect the value of the Unit. Option B shall apply to all Minor Modifications.

The Options referred to above are as follows:

A. Option A. The Owner shall pay the cost of the Modification; each semiannual installment of rent to be paid by the Lessee over the remaining term of the Lease shall be increased by an amount which in the reasonable opinion of the Owner is sufficient to maintain the Owner's net after-tax yield over the term of the Lease at the same percentage level that would have been available to the Owner if it had not paid for the Modification; and the parties hereto shall enter into a supplement to Schedule B hereto to provide for appropriate additional Casualty Values for the Modification in amounts sufficient to maintain the Owners' net after-tax yield as aforesaid.

B. Option B. The Lessee shall pay, or cause its sublessee to pay, the cost of the Modification.

C. Option C. On the date on which the Lessee gives notice that it elects Option C a Casualty Occurrence shall be deemed to have been suffered by the Unit or Units to which the proposed Modification relates and the provisions of § 7 of this Lease shall apply.

D. Option D. The Lessee shall purchase the Unit or Units to which the proposed Modification relates at the higher of their fair market value determined as of the date on which the Lessee gives notice that it elects Option D and their Casualty Value as of the closing date of the purchase. The closing of the purchase of the Unit or Units shall occur on the rental

payment date next succeeding the delivery of notice to the Owner that the Lessee elects Option D. The Lessee shall pay the purchase price on the closing date of the purchase by: (i) taking the Unit or Units subject to the security interest of the Trustee to the extent of the unpaid principal amount of the Trust Certificates equal to the value of the Unit or Units being purchased as determined under Section 4.06 of the Security Documents; and (ii) paying to the Owner cash equal to the excess of the purchase price of the Unit or Units over the amount referred to in clause (i) above. If and to the extent the Lessee shall purchase any Units under this Option D, this Lease as to such Units shall terminate on the date of purchase; provided, however, that it shall be a condition to the closing of such purchase that there is in effect the written agreement between the Trustee and the Lessee referred to in the last sentence of Section 9.05 of the Security Document. Fair market value of a Unit shall be determined on the basis of, and shall mean, the amount which would be obtainable in an arm's-length transaction between an informed and willing buyer (other than a lessee currently in possession) under no compulsion to buy and an informed and willing seller under no compulsion to sell, and in such determination costs of transportation from the location of current use shall not be a deduction from such value. If the Owner and the Lessee cannot agree on such value they shall each appoint an independent appraiser and the two appraisers shall determine fair market value. If within 15 days after their appointment, the appraisers are unable to agree upon the amount in question they shall appoint a third appraiser by mutual consent disregarding the decision of the appraiser which is at greatest variance with the other two appraisals and averaging the respective decisions of the remaining two appraisers. Thereafter the amount as so determined shall be binding and conclusive on the Owner and the Lessee. The Owner and the Lessee shall pay the fees and expenses of the respective appraisers appointed by them.

Any and all parts installed on and additions and replacements made to any Unit (i) which constitute Modifications, other than (x) Optional Removable Modifications and (y) Minor Modifications which are not required by Applicable Laws and which are readily removable without causing material damage to the Unit, (ii) the cost of which is included in the Purchase Price of such Unit, or (iii) in the course of ordinary maintenance of the Units, shall constitute accessions to such Unit and full ownership thereof

free from any lien, charge, security interest or encumbrance shall immediately be vested in the Owner. Optional Removable Modifications and Minor Modifications which are not required by Applicable Laws and which are readily removable without causing material damage to the Unit shall be owned by the Lessee (or such other party as may have title thereto).

The Lessee shall pay, and shall protect, indemnify and hold the Owner, the holders of Trust Certificates and the Trustee, and their respective successors, assigns, agents and servants ("Indemnified Persons"), harmless from and against any and all causes of action, suits, penalties, claims, demands or judgments, of any nature whatsoever which may be imposed on, incurred by or asserted against any Indemnified Person (including any or all liabilities, obligations, damages, costs, disbursements, expenses [including without limitation attorneys' fees and expenses of any Indemnified Person] relating thereto) in any way relating to or arising or alleged to arise out of this Lease or the Units, including without limitation those in any way relating to or arising or alleged to arise out of (i) the manufacture, construction, purchase, acceptance, rejection, ownership, delivery, nondelivery, lease, sublease, possession, use, operation, condition, sale, return or other disposition of any Unit or portion thereof; (ii) any latent or other defects whether or not discoverable by any Indemnified Person or the Lessee; (iii) any claim for patent, trademark or copyright infringement; (iv) any claims based on strict liability in tort; (v) any injury to or the death of any person or any damage to or loss of property on or near the Units or in any manner growing out of or concerned with, or alleged to grow out of or be connected with, the ownership, use, replacement, adaptation or maintenance of the Units or of any other equipment in connection with the Units (whether owned or under the control of the Owner, the Lessee or any other person) or resulting or alleged to result from the condition of any thereof; (vi) any violation, or alleged violation, of any provision of this Lease (except by the Owner) or of any agreement, law, rule, regulation, ordinance or restriction affecting or applicable to the Units or the leasing, ownership, use, replacement, adaptation or maintenance thereof; or (vii) any claim arising out of the Trustee's holding a security interest under the Security Document or the Lease Assignment excluding, however, in each case with respect to an Indemnified Person any matter resulting from an act or omission of the Indemnified Person which would constitute the wilful misconduct or negligence

of such Indemnified Person (all of which matters indemnified against pursuant to the above being hereafter called the "Indemnified Matters"). All payments hereunder shall be made directly to the Indemnified Person. The Lessee shall be obligated under this § 9, irrespective of whether any Indemnified Person shall also be indemnified with respect to the same Indemnified Matter under any other agreement by any other person, and the Indemnified Person seeking to enforce the indemnification may proceed directly against the Lessee under this § 9 without first resorting to any such other rights of indemnification. In case any action, suit or proceeding is brought against any Indemnified Person in connection with any Indemnified Matter, the Lessee may and, upon such Indemnified Person's request, will at the Lessee's expense resist and defend such action, suit or proceeding, or cause the same to be resisted or defended by counsel selected by the Lessee and approved by such Indemnified Person, as the case may be, and, in the event of any failure by the Lessee to do so, the Lessee shall pay all costs and expenses (including without limitation attorneys' fees and expenses) incurred by such Indemnified Person in connection with such action, suit or proceeding. In the event the Lessee is required to make any payment under this § 9, the Lessee shall pay such Indemnified Person an amount which, after deduction of all taxes required to be paid by such Indemnified Person in respect of the receipt thereof under the laws of the United States or of any political subdivision thereof (after giving credit for any savings in respect of any such taxes by reason of deductions, credits or allowances in respect of the payment of the expense indemnified against, and of any other such taxes as determined in the sole discretion of the Indemnified Person), shall be equal to the amount of such payment. The Lessee and the Owner will give each other written notice of any Indemnified Matter promptly upon obtaining knowledge thereof. Upon the payment in full of any indemnities as contained in this § 9 by the Lessee, and provided that no Event of Default (or other event which with lapse of time or notice or both would constitute an Event of Default) shall have occurred and be continuing, the Lessee shall be subrogated to any right of such Indemnified Person in respect of the Indemnified Matter. Any payments received by such Indemnified Person from any person (except the Lessee) as a result of any Indemnified Matter shall be paid over to the Lessee to the extent necessary to reimburse the Lessee for indemnification payments or related expenses previously made in respect of such matter.

The indemnities contained in this § 9 shall survive the expiration or termination of this Lease with respect to all events, facts, conditions or other circumstances occurring or existing prior to such expiration or termination and are expressly made for the benefit of, and shall be enforceable by, any Indemnified Person. None of the indemnities in this § 9 shall be deemed to create any rights of subrogation in any insurer or third party against the Lessee therefor, from or under any Indemnified Person, whether because of any claim paid or defense provided for the benefit thereof or otherwise.

The Lessee agrees at its expense to prepare and deliver to the Owner within a reasonable time prior to the required date of filing (or, to the extent permissible, file on behalf of the Owner) any and all reports (other than income tax returns) to be filed by the Owner with any Federal, state or other regulatory authority by reason of the ownership by the Owner or the Trustee of the Units or the leasing thereof to the Lessee. If the Lessee shall be unable to prepare any such report, the lessee will furnish such information in its possession as shall allow the Owner to prepare such report.

The indemnities arising under this § 9 shall not be deemed to operate as a guarantee of the residual value of the Units or as a guarantee of the payment of the principal of or interest on the Trust Certificates.

§ 10. Default. If, during the continuance of this Lease, one or more of the following events (each such event being herein sometimes called an "Event of Default") shall occur:

(A) default shall be made in payment of any amount provided for in § 3 or § 7 hereof or in Paragraph 9 of the Participation Agreement and such default shall continue for five days; or

(B) the Lessee shall make or permit any unauthorized assignment or transfer of this Lease, or any interest therein, or of the right to possession of any of the Units; or

(C) default shall be made in the observance or performance of any other of the covenants, conditions and agreements on the part of the Lessee contained herein, in the Participation Agreement or in the

Consent and such default shall continue for 30 days after written notice from the Owner or the Trustee to the Lessee specifying the default and demanding that the same be remedied; or

(D) any representation of the Lessee made in the Participation Agreement (other than Paragraph 9 thereof) or pursuant thereto shall prove to have been false in any material respect when made; or

(E) any proceeding shall be commenced by or against the Lessee for any relief which includes, or might result in, any modification of the obligations of the Lessee hereunder or under the Consent under any bankruptcy or insolvency laws, or laws relating to the relief of debtors, readjustment of indebtedness, reorganizations, arrangements, compositions or extensions (other than a law which does not permit any readjustment of such obligations), and, unless such proceedings shall have been dismissed, nullified, stayed or otherwise rendered ineffective (but then only so long as such stay shall continue in force or such ineffectiveness shall continue), all the obligations of the Lessee hereunder and under the Consent shall not have been and shall not continue to have been duly assumed in writing pursuant to a court order or decree, by a trustee or trustees or receiver or receivers appointed (whether or not subject to ratification) for the Lessee, or for its property in connection with any such proceedings in such manner that such obligations shall have the same status as expenses of administration and obligations incurred by such trustee or trustees or receiver or receivers, within 60 days after such proceedings shall have been commenced;

then, in any such case, the Owner, at its option, may,

(a) proceed by appropriate court action or actions either at law or in equity, to enforce performance by the Lessee of the applicable covenants of this Lease or to recover damages for the breach thereof; or

(b) by notice in writing to the Lessee terminate this Lease, whereupon all rights of the Lessee to the use of the Units shall absolutely cease and terminate as though this Lease had never been made, but the Lessee shall become liable as hereinafter provided for all liabilities arising prior to such termination and

by reason of the use of remedies hereunder; and thereupon the Owner may by its agents enter upon the premises of the Lessee or other premises where any of the Units may be located, without judicial process if this can be done without breach of the peace, and take possession of all or any of the Units and thenceforth hold, possess, sell, operate, lease to others and enjoy the same free from any right of the Lessee or its successors or assigns to use the Units for any purposes whatever and without any duty to account to the Lessee for such action or inaction or for any proceeds arising therefrom; but the Owner shall, nevertheless, have a right to recover from the Lessee any and all amounts which under the terms of this Lease may be then due or which may have accrued to the date of such termination (computing the rental for any number of days less than a full rental period by multiplying the rental for such full rental period by a fraction of which the numerator is such number of days and the denominator is the total number of days in such full rental period) and also to recover forthwith from the Lessee as damages for loss of the bargain and not as a penalty, whichever of the following amounts the Owner, in its sole discretion, shall specify, in lieu of all rents not then due: (x) a sum with respect to each Unit which represents the excess of (1) the present value, at the time of such termination, of the entire unpaid balance of all rental for such Unit which would otherwise have accrued hereunder from the date of such termination to the end of the term of this Lease as to such Unit over (2) the then present value of the rentals which the Owner reasonably calculates to be obtainable for the Unit during such period, such present value to be computed in each case on the basis of a 8% per annum discount, compounded semiannually from the respective dates upon which rentals would have been payable hereunder had this Lease not been terminated, together with any damages and expenses, including reasonable attorneys' fees, in addition thereto which the Owner shall have sustained by reason of the breach of any covenant, representation or warranty of this Lease other than for the payment of the rental; or (y) an amount with respect to each Unit equal to the excess, if any, of the Casualty Value thereof as of the rental payment date on or next preceding the date of termination over the amount the Owner reasonably calculates to be the sales value (after deduction of all estimated expenses of such sale) of such Unit at such time; provided, however, that in the event the Owner shall have sold

any Unit, the Owner, in lieu of collecting any amounts payable to the Owner by the Lessee pursuant to clause (x) or clause (y) of this part (b) with respect to such Unit, may, if it shall so elect, demand that the Lessee pay the Owner and the Lessee shall pay to the Owner on the date of such sale, as liquidated damages for loss of a bargain and not as a penalty, an amount equal to the excess, if any, of the Casualty Value for such Unit, as of the rental payment date on or next preceding the date of termination, over the net proceeds of such sale.

In addition, the Lessee shall be liable, except as otherwise provided above, for any and all unpaid amounts due hereunder before, during or after the exercise of any of the foregoing remedies and for all reasonable attorneys' fees and other costs and expenses incurred by reason of the occurrence of any Event of Default or the exercise of the Owner's remedies with respect thereto, including all costs and expenses incurred in connection with the return of any Unit.

The remedies in this Lease provided in favor of the Owner shall not be deemed exclusive, but shall be cumulative, and shall be in addition to all other remedies in their favor existing at law or in equity. The Lessee hereby waives any requirements of law, now or hereafter in effect, which might limit or modify the remedies herein provided, to the extent that such waiver is permitted by law. The Lessee hereby waives any and all existing or future claims to any offset against the rental payments and agrees to make such payments regardless of any offset or claim which may be asserted by the Lessee or on its behalf.

The failure of the Owner to exercise the rights granted it hereunder upon the occurrence of any of the contingencies set forth herein shall not constitute a waiver of any such right upon the continuation or recurrence of any such contingencies or similar contingencies and a waiver of any such right on one occasion shall not constitute a waiver of such right as to any other occasion and shall not be effective unless in writing signed by the Owner.

The Lessee also agrees to furnish the Owner and the Trustee, promptly upon any responsible officer becoming aware of any condition which constitutes an Event of Default under the Lease or which, after notice or lapse of time or both, would constitute such an Event of Default, written notice specifying such condition and the nature and

status thereof. For the purposes of this paragraph, a "responsible officer" shall mean, with respect to the subject matter of any covenant, agreement or obligation of the Lessee in this Lease contained, any corporate official of the Lessee who in the normal performance of his operational responsibilities would have knowledge of such matter and the requirements of this Lease with respect thereto.

§ 11. Return of Units upon Default. If this Lease shall terminate pursuant to § 10 hereof, the Lessee shall forthwith deliver possession of the Units to the Owner. Each Unit so delivered shall be in the same operating order, repair and condition as when originally delivered to the Lessee, ordinary wear and tear excepted, shall meet the standards of all Applicable Laws and shall have attached any accession thereto as provided in § 9 and shall have removed therefrom at the Lessee's expense any addition, modification or improvement which, as provided in § 9, is owned by the Lessee. For the purpose of delivering possession of any Unit or Units as above required, the Lessee shall at its own cost, expense and risk:

(a) forthwith and in the usual manner (including, but not by way of limitation, giving prompt telegraphic and written notice to the Association of American Railroads and all railroads to which any Unit or Units have been interchanged or which may have possession thereof to return the Unit or Units) and at the usual speed place such Units upon such storage tracks selected by Lessee and reasonably acceptable to the Owner;

(b) permit the Owner to store such Units on such tracks at the risk of the Lessee without charge for insurance, rent or storage until all such Units have been sold, leased or otherwise disposed of by the Owner; and

(c) transport the same to any place on the lines of a railroad selected by Lessee and reasonably acceptable to the Owner, all as directed by the Owner.

The performance of the foregoing covenant is of the essence of this Lease and upon application to any court having jurisdiction in the premises, the Owner shall be entitled to a decree against the Lessee, requiring the specific performance thereof. During any storage period, the Lessee will, at its own cost and expense, maintain and keep the

Units in good order and repair and will permit the Owner or any person designated by it, including the authorized representative or representatives of any prospective purchaser of any such Unit, to inspect the same; provided, however, that the Lessee shall not be liable except in the case of negligence or intentional act of the Lessee or of its employees or agents and, except to the extent otherwise provided by law, for any injury to or the death of any person exercising, either on behalf of the Owner or any prospective purchaser or lessee, the rights of inspection granted under this sentence. All amounts earned in respect of the Units after the date of termination of this Lease shall belong to the Owner and, if received by the Lessee, shall be promptly turned over to the Owner. In the event any Unit is not assembled, delivered and stored, as hereinabove provided, within 60 days after such termination, the Lessee shall, in addition, pay to the Owner for each day thereafter an amount equal to the amount, if any, by which % of the Purchase Price of such Unit exceeds the actual earnings received by the Owner with respect to such Unit for each such day.

For the purpose of this § 11, without in any way limiting the obligation of the Lessee under the foregoing provisions of this § 11, the Lessee hereby irrevocably appoints the Owner as the agent and attorney of the Lessee, with full power and authority, at any time while the Lessee is obligated to deliver possession of any Unit to the Owner, to demand and take possession of such Unit in the name and on behalf of the Lessee from whomsoever shall be in possession of such Unit at the time.

§ 12. Assignment; Possession and Use. This Lease shall not be assignable by the Lessee or the Owner without the prior written consent of the other party, except the Owner, without the consent of the Lessee, may, subject to the provisions of Section 4.07 of the Security Document, assign all but not less than all of its interest hereunder to (i) any bank or trust company having a combined capital and surplus of at least \$25,000,000, (ii) any other financial institution or corporation having a combined capital and surplus of at least \$50,000,000, or (iii) any corporation owning at the time substantially all the capital stock of the Owner or any corporation or other entity (but not an individual) controlled by or under common control with the Owner or any corporation which shall purchase substantially all the assets of the Owner or shall be the successor of the Owner by merger or con-

solidation (any such institution, corporation or entity to which rights may be assigned or transferred being hereinafter referred to as the "Transferee"); provided, however, that no such Transferee or Affiliate (as defined in the Security Document) thereof may have been, immediately prior to the assignment, actively engaged in the management of railcars under operating leases. If the assignment occurs pursuant to clause (iii) above, the Owner shall remain secondarily liable for the obligations of the Transferee under this Lease if the Transferee shall not have a net worth of at least \$50,000,000 at the time of the assignment. In the event of any such assignment, the Transferee shall become a party to this Lease and will agree to be bound by all the terms of and will undertake all of the obligations of the Owner contained in this Lease and the Participation Agreement in such manner as is satisfactory to the Trustee and the Lessee. No such assignment shall violate any provision of law or regulation or create a relationship which would be in violation thereof. The Lessee shall not be on notice of or otherwise be bound by any such assignment unless and until it shall have received an executed counterpart of the instrument of such assignment, and no such assignment shall be effective until the Transferee shall have demonstrated its qualification under this Section to the reasonable satisfaction of the Lessee and shall have executed such instrument confirmatory of its assumption of the obligations of the Owner hereunder as may reasonably be satisfactory to the Lessee and its legal counsel. The Lessee hereby consents to the assignment of this Lease pursuant to the Lease Assignment. All the rights of the Owner hereunder (including, but not limited to, the rights under §§ 6, 7 and 10 and the rights to receive the rentals payable under this Lease) shall inure to the benefit of the Owner's assigns, including the Trustee.

Except as provided in § 7 hereof in the case of a Casualty Occurrence and in the next paragraph of this § 12, the Lessee will not transfer or sublet any of the Units or assign or transfer any of its rights hereunder, except that the Lessee may (subject to the provisions of § 14 hereof) sublet any of the Units to any Affiliate of the Lessee (as defined in the Security Document) whose rights are subordinated to all the rights of the Owner and the Trustee hereunder, under the Security Document and the Lease Assignment, which Affiliate is America or Canada or a political subdivision of either, other than the Provinces of Quebec, New Brunswick and Nova Scotia, or incorporated under the laws

of Mexico or a political subdivision thereof, and which Affiliate agrees in writing delivered to the Owner and the Trustee to take such Units subordinated as aforesaid and subject to the terms hereof, to comply with the covenants and agreements of the Lessee herein insofar as such covenants and agreements relate to the Units sublet to such Affiliate and not to assign or transfer its rights under any such sublease except to sublessees permitted hereunder or to the Lessee or to such Affiliate; provided, however, that no such sublease shall relieve the Lessee of its obligations hereunder, and the Lessee shall not, except as herein provided, part with the possession of, or suffer or allow to pass out of its possession or control any of the Units; provided further, however, that the foregoing is subject in all respects to § 14 hereof; and provided, finally, however, that in no event shall the Lessee permit any of the Units to be located at any time in any country other than the United States of America, Canada or Mexico.

So long as (i) no Event of Default exists hereunder, (ii) the Lessee is complying with the provisions of the Consent and (iii) the Trustee is entitled to apply the Payments (as defined in the Lease Assignment) in accordance with the Lease Assignment, the Lessee and any such Affiliate shall be entitled to the possession and use of the Units in accordance with the terms hereof, and the Lessee and any such Affiliate may also in the future (a) furnish any Units to railroad companies for use upon the lines of railroad owned or operated by them or over which they have trackage rights and upon connecting and other carriers in the usual interchange of traffic, or to persons other than railroad companies for use in their business, or (b) sublet to others all or any of the Units, but only upon and subject to all the terms and conditions hereof, and subject and subordinate to all rights of the Owner and the Trustee hereunder and under the Security Document and the Lease Assignment.

Any such sublease may provide that the sublessee, so long as it shall not be in default under such sublease, shall be entitled (subject and subordinate as aforesaid) to the possession of the Units included in such sublease and the use thereof, and, subject to the provisions of § 5 hereof, may provide for lettering or marking upon such Units for convenience of identification of the leasehold interest of such sublessee therein. Every such sublease shall expressly subject and subordinate the rights of the sublessee under such sublease to all the rights of the

Owner and the Trustee hereunder and under the Security Document and the Lease Assignment in respect of the Units covered by such sublease.

The Lessee, at its own expense, will as soon as possible cause to be duly discharged any lien, charge, security interest or other encumbrance (other than any sublease permitted hereby or any encumbrance resulting from claims against the Owner or the Trustee not related to the transactions contemplated hereby) which may at any time be imposed on or with respect to any Unit including any accession thereto pursuant to § 9 hereof or the interest of the Owner, the Trustee or the Lessee therein.

Nothing in this § 12 shall be deemed to restrict the right of the Lessee to assign or transfer its leasehold interest under this Lease in the Units or possession of the Units to any corporation incorporated under the laws of any state of the United States of America or the District of Columbia (which shall have specifically assumed the obligations of the Lessee hereunder, under the Participation Agreement and under the Consent by an appropriate instrument in writing) into or with which the Lessee shall have become merged or consolidated or which shall have acquired the property of the Lessee as an entirety or substantially as an entirety, provided that such assignee or transferee will not, upon the effectiveness of such merger, consolidation or acquisition, be in default under any provision of this Lease, the Participation Agreement or the Consent.

§ 13. Return of Units upon Expiration of Term.
As soon as practicable on or after the termination of the original term or any extended term of this Lease and in any event not later than 180 days after the termination of the original term or any extended term of this Lease, the Lessee will, at its own cost and expense, cause each such Unit to be transported to such point or points as shall be reasonably designated by the Lessee with the approval of the Owner, which shall not be unreasonably withheld, and will arrange for the storage of such Units at such point. The transporting, assembly and delivery into storage of such Units shall be at the expense of the Lessee. Until at least 90% of the Units (then available for interchange service) are first placed in storage, the expense of storage shall be borne by the Lessee; and if storage continues thereafter and storage facilities are available to the Lessee, the expense of storage shall be paid by the Owner to the Lessee at the prevailing rate.

The Lessee will be responsible for risk of loss and liability with respect to each Unit until such Unit is so delivered into storage and after such delivery into storage and until at least 90% of the Units (then available for interchange service) are first placed in storage. During any such storage period the Lessee will permit the Owner or any person designated by it, including the authorized representative or representatives of any prospective purchaser or lessee of any such Unit, to inspect the same; provided, however, that the Lessee shall not be liable except in the case of negligence or intentional act of the Lessee or of its employees or agents and, except to the extent otherwise provided by law, for any injury to or the death of any person exercising, either on behalf of the Owner or any prospective purchaser or lessee, the rights of inspection granted under this sentence. The assembly, delivery, storage and transporting of the Units as hereinbefore provided are of the essence of this Lease, and upon application to any court of equity having jurisdiction in the premises, the Owner shall be entitled to a decree against the Lessee requiring specific performance of the covenants of the Lessee so to cause the assembly, delivery, storage and transporting of the Units. Each Unit returned to the Owner pursuant to this § 13 shall (i) be in the same operating order, repair and condition as when originally delivered to the Lessee, ordinary wear and tear excepted, (ii) have attached or affixed thereto any accession title to which is in the Owner pursuant to § 9 hereof and have removed therefrom at Lessee's expense any addition, modification or improvement title to which is in the Lessee or any other person pursuant to § 9 and (iii) meet the applicable standards then in effect under all Applicable Laws.

If any Unit suffers a Casualty Occurrence during any free storage period provided for in this § 13, the Lessee shall pay to the Owner the Casualty Value of such Unit as determined in accordance with § 7 hereof. All gross amounts earned in respect of any Unit shall, from and after the termination of this Lease as to such Unit, belong to and be the property of the Owner. In the event that by the 180th day after the termination of this Lease with respect to any Units the Lessee has not, at the request of the Owner, caused at least 90% of such Units (then available for interchange service) to be transported to such point or points as provided in this § 13, the Lessee shall pay to the Owner an amount equal to 110% of the daily rental multiplied by the number of Units then

subject to this Lease for each day from such 180th day to the date on which at least 90% of the Units (then available for interchange service) have been so transported.

§ 14. Recording. Promptly after the execution and delivery of this Lease, the Security Document, the Lease Assignment and each supplement or amendment hereto or thereto, the Lessee shall (i) cause the same to be duly filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 except that such filing of a supplement or an amendment shall not be required if the filing thereof is not necessary for the protection of the rights of the Trustee hereunder and (ii) cause all filings which shall be necessary for the protection of the rights of the Owner and the Trustee hereunder and of the Trustee under the Lease Assignment to be made in accordance with any applicable national registration legislation of Canada (provided filings under such legislation will render the title and interests of the Trustee and the Owner superior to all other claims against such title and interests) or the applicable registration legislation of all mainland Provinces of Canada (other than Quebec, New Brunswick and Nova Scotia, subject to the proviso below) in which such documents are eligible for filings; and the Lessee will from time to time do and perform any other act and will execute, acknowledge, deliver, file, register and record any and all further instruments required by the law of any jurisdiction in which any Units shall be used and reasonably requested by the Trustee for the purpose of proper protection of the title and interests of the Trustee and the Owner in and to the Units and of fully carrying out and effectuating this Lease and the intent hereof; provided, however, that the Lessee shall not be required to take any such action in respect of any jurisdiction outside the United States of America if (1) the Lessee deems such action to be unduly burdensome, (2) after giving effect to the failure to take such action, the Lessee has taken all action required by law to protect the title and interests of the Trustee and the Owner to all Units other than Units having an aggregate Purchase Price of not more than 10% of the aggregate Purchase Price of all Units then subject hereto and (3) any Unit at any time located in such jurisdiction shall have been marked with the markings specified in § 5 hereof.

Promptly after the execution and delivery of this Lease, the Security Document, the Lease Assignment and each supplement or amendment hereto or thereto, the Lessee will

furnish to the Trustee and the Owner one or more Opinions of Counsel stating that, in the opinion of such counsel, the same has been properly recorded and filed so as effectively to protect the title and interests of the Trustee and the Owner in and to the Units and their rights thereunder and hereunder as provided in the next preceding paragraph and reciting the details of such action, it being understood that such an Opinion of Counsel shall not be required in the case of any amendment hereto to delete any Unit which shall have suffered a Casualty Occurrence; and the Lessee will from time to time do and perform any other act and will execute, acknowledge, deliver, file, register and record any and all further instruments required by law, and when reasonably requested by the Trustee or the Owner for the purpose of proper protection of the title and interests of the Trustee and the Owner and effectuating this Lease and the intent hereof; all expense incident to such recording and filing to be paid by the Lessee.

§ 15. Owner's Right To Perform for the Lessee.

If the Lessee fails to perform or comply with any of its agreements contained herein, the Owner may upon notice to the Lessee itself perform or comply with such agreement, and the amount of the reasonable cost and expenses of the Owner incurred in connection with such performance or compliance, together with interest on such amount at the rate of 13-7/8% per annum or such lesser amount as shall be legally enforceable, shall be payable by the Lessee upon demand. No such performance or compliance by the Owner shall be deemed a waiver of the rights and remedies of the Owner against the Lessee hereunder or be deemed to cure the default of the Lessee hereunder.

§ 16. Interest on Overdue Rentals. Anything to the contrary herein contained notwithstanding, any nonpayment of rentals and other obligations due hereunder shall result in the obligation on the part of the Lessee promptly to pay an amount equal to interest at a rate of 13-7/8% per annum on the overdue rentals and other obligations for the period of time during which they are overdue or such lesser amount as may be legally enforceable.

§ 17. Notices. Any notice required or permitted to be given by either party hereto to the other shall be deemed to have been given when delivered to such other party or deposited in the United States mails, first class

postage prepaid, addressed as follows:

if to the Owner, Box 858, Valley Forge, Pennsylvania 19482, Attention of President;

if to the Lessee, 222 South Riverside Plaza, Chicago, Illinois 60606, Attention of Vice President-Finance;

or addressed to any party at such other address as such party shall hereafter furnish to the other parties in writing. Any certificate, document or report required to be furnished by any party hereto to the other parties shall be delivered to the address set forth above for such party. Any notice to the Lessee by the Trustee or the holders of the Trust Certificates regarding the Lessee's failure to perform any obligation hereunder shall also be furnished by the Lessee to the Trustee.

§ 18. Severability; Effect and Modification of Lease. Any provision of this Lease which is prohibited or unenforceable in any jurisdiction shall be, as to such jurisdiction, ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

This Lease exclusively and completely states the rights of the Owner and the Lessee with respect to the leasing of the Units and supersedes all other agreements, oral or written, with respect thereto, except the Participation Agreement. No variation or modification of this Lease and no waiver of any of its provisions or conditions shall be valid unless in writing and signed by duly authorized signatories for the Owner and the Lessee and unless, in the case of any such variation, modification or waiver which could adversely affect the rights of the Trustee under the Security Document or under this Lease, the Trustee shall have consented in writing thereto.

§ 19. Execution. This Lease may be executed in several counterparts, such counterparts together constituting but one and the same instrument, but the counterpart delivered to the Trustee shall be deemed to be the original counterpart and all other counterparts shall be deemed duplicates thereof. It shall not be necessary that any counterpart be signed by both the parties hereto so long as

each party hereto shall have executed and delivered one counterpart hereof to the other party. Although for convenience this Lease is dated as of the date first set forth above, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

§ 20. Law Governing. The terms of this Lease and all rights and obligations hereunder shall be governed by the laws of the State of Illinois; provided, however, that the parties shall be entitled to all rights conferred by 49 U.S.C. § 11303.

IN WITNESS WHEREOF, the parties hereto have executed or caused this instrument to be executed as of the date first above written.

NORTH AMERICAN CAR CORPORATION,

by

Vice President

[CORPORATE SEAL]

Attest:

Secretary

AMERIGAS, INC.,

by

[SEAL]

Attest:

STATE OF ILLINOIS,)
) ss.:
COUNTY OF COOK,)

On this day of 1980, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a of NORTH AMERICAN CAR CORPORATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Notary Public

[Notarial Seal]

My Commission expires

STATE OF _____ ,)
COUNTY OF _____) ss.:
_____ ,)

On this day of 1980, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a of AMERIGAS, INC., that one of the seals affixed to the foregoing instrument is the seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Notary Public

[Notarial Seal]

My Commission expires

SCHEDULE A

<u>Trust Equipment Description</u>	<u>AAR Mechanical Designation</u>	<u>Units of Trust Equipment</u>	<u>Road Numbers (incl.)</u>
100-ton, 4,750 cu. ft. covered hopper cars	LO	205	483249- 483453

SCHEDULE B

Casualty Values

<u>Payment Date</u>	<u>Percentage</u>
11/1/80	
5/1/81	105.662903
11/1/81	106.218951
5/1/82	106.308681
11/1/82	106.114948
5/1/83	105.498129
11/1/83	104.612859
5/1/84	96.426480
11/1/84	94.870583
5/1/85	92.933834
11/1/85	90.733506
5/1/86	81.283268
11/1/86	78.470801
5/1/87	75.339752
11/1/87	71.955614
5/1/88	61.427067
11/1/88	57.565601
5/1/89	53.490818
11/1/89	49.118990
5/1/90	44.682202
11/1/90	39.936532
5/1/91	35.093386
11/1/91	30.066536
5/1/92	25.123673
11/1/92 and thereafter	20.000000

SCHEDULE C

Certificate of Acceptance

I, _____, a duly authorized representative of AMERIGAS, INC. ("Owner"), of CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO ("Trustee") and of NORTH AMERICAN CAR CORPORATION ("Lessee"), do hereby certify that I have inspected, received, approved and accepted, on behalf of the Owner, the Trustee and the Lessee, under the Equipment Trust Agreement dated as of August 1, 1980, between the Owner and the Trustee and under the Lease of Railroad Equipment dated as of August 1, 1980, between the Owner and the Lessee the following units of equipment ("Equipment"):

DESCRIPTION OF EQUIPMENT: 100-ton, 4,750 cu. ft. covered hopper cars

BUILDER: Thrall Car Manufacturing Company

DATE ACCEPTED: _____, 1980

SERIAL NUMBERS: 483249 through 483453

I do further certify that the Equipment is in good order and condition and conforms to the above-listed description, and at the time of delivery to the Owner, the Lessee and the Trustee each unit of the Equipment was marked with its respective serial number and there was plainly, distinctly, permanently and conspicuously marked upon each side of each unit of the Equipment the following legend in letters not less than one inch in height:

OWNERSHIP SUBJECT TO AN EQUIPMENT TRUST OR SECURITY AGREEMENT AND/OR VESTED IN A TRUSTEE OR OTHER PERSON OR ENTITY AS SET FORTH IN A BAILMENT AGREEMENT OR LEASE FILED WITH THE INTERSTATE COMMERCE COMMISSION.

I do further certify, on behalf of the Lessee, that none of the units of Equipment was placed in service by the Lessee or any other person prior to its delivery and acceptance hereunder.

The execution of this Certificate will in no way relieve or decrease the responsibility of the Builder of the Equipment for warranties it has made with respect to the Equipment.

Authorized Representative of
The Owner, the Trustee and
the Lessee.

ANNEX II
to the
Equipment Trust Agreement

[CS&M Ref. 1413-020]

ASSIGNMENT OF LEASE
AND AGREEMENT

Between

AMERIGAS, INC.,

Owner,

and

CONTINENTAL ILLINOIS NATIONAL BANK AND
TRUST COMPANY OF CHICAGO,

Trustee

Dated as of August 1, 1980

ASSIGNMENT OF LEASE AND AGREEMENT dated as of August 1, 1980 ("Assignment"), by and between AMERIGAS, INC. ("Owner"), and CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO ("Trustee").

The Owner and the Trustee have entered into an Equipment Trust Agreement dated as of the date hereof ("Security Document").

The Owner and NORTH AMERICAN CAR CORPORATION ("Lessee") have entered into a Lease of Railroad Equipment dated as of the date hereof ("Lease") providing for the leasing by the Owner to the Lessee of certain units of railroad equipment ("Units").

In order to provide security for the obligations of the Owner under the Security Document and as an inducement to the Purchasers referred to in the Security Document ("Purchasers") to purchase the Equipment Trust Certificates to be issued pursuant to the Security Document, the Owner agrees to assign for security purposes its rights in, to and under the Lease.

NOW, THEREFORE, in consideration of the payments to be made and the covenants hereinafter mentioned to be kept and performed, the parties hereto agree as follows:

1. The Owner hereby assigns, transfers and sets over unto the Trustee, as collateral security for the payment and performance of the Owner's obligations under the Security Document, all the Owner's right, title and interest, powers, privileges, and other benefits under the Lease, including, without limitation, the immediate right to receive and collect all rentals, profits and other sums payable to or receivable by the Owner from the Lessee under or pursuant to the provisions of the Lease, whether as rent, casualty payment, indemnity (except amounts which by the express terms of the Lease are payable directly to the Owner pursuant to § 6 or § 9 of the Lease), liquidated damages, or otherwise (such moneys being hereinafter called "Payments"), and the right to make all waivers and agreements, to give all notices, consents and releases, to take all action upon the happening of an Event of Default specified in the Lease, and to do any and all other things what-

soever which the Owner is or may become entitled to do under the Lease. In furtherance of the foregoing assignment, the Owner hereby irrevocably authorizes and empowers the Trustee in its own name, or in the name of its nominee, or in the name of the Owner or as its attorney, to ask, demand, sue for, collect and receive any and all Payments to which the Owner is or may become entitled under the Lease, and to enforce compliance by the Lessee with all the terms and provisions thereof.

The Trustee agrees to accept any Payments made by the Lessee for the account of the Owner pursuant to the Lease. To the extent received, the Trustee will apply such Payments first, to satisfy the obligations of the Owner under the Security Document due and payable on the date such Payments were due and payable under the Lease, and second, so long as no Event of Default (or event which, with notice or lapse of time, or both, could constitute an Event of Default) under the Security Document shall have occurred and be continuing any remaining balance held by the Trustee hereunder shall be promptly paid to the Owner in immediately available funds at the address of the Owner set forth in the Lease. If the Trustee shall not receive any rental payment under the first paragraph of § 3 of the Lease or any payment of Casualty Values under § 7 of the Lease when due, the Trustee shall promptly notify the Owner and the Lessee in writing at their respective addresses set forth in the Lease. Failure so to notify the Owner and the Lessee shall not affect the rights and remedies of the Trustee hereunder or under the Security Document.

2. This Assignment is executed only as security for the obligations of the Owner under the Security Document and, therefore, the execution and delivery of this Assignment shall not subject the Trustee to, or transfer, or in any way affect or modify the liability of the Owner under the Lease, it being understood and agreed that notwithstanding this Assignment or any subsequent assignment, all obligations of the Owner to the Lessee shall be and remain enforceable by the Lessee against, and only against, the Owner or persons other than the Trustee.

3. To protect the security afforded by this Assignment, the Owner agrees as follows:

(a) The Owner will faithfully abide by, perform and discharge each and every obligation which the

Lease provides is to be performed by the Owner; without the written consent of the Trustee, the Owner will not anticipate the rents under the Lease or waive, excuse, condone, forgive or in any manner release or discharge the Lessee thereunder, of or from any obligation to be performed by the Lessee, including, without limitation, the obligation to make the payments in the manner and at the time and place specified therein or enter into any agreement so amending, modifying or terminating the Lease, and the Owner agrees that any such amendment, modification or termination thereof without such consent shall be void.

(b) Should the Owner fail to make any payment or to do any act which this Assignment requires the Owner to make or do, then the Trustee, but without obligation so to do, after first making written demand upon the Owner and affording the Owner a reasonable period of time within which to make such payment or do such act, but without releasing the Owner from any obligation hereunder, may make or do the same in such manner and to such extent as the Trustee may deem necessary to protect the security provided hereby, including specifically, without limiting its general powers, the right to appear in and defend any action or proceeding purporting to affect the security hereof and the rights or powers of the Trustee, and also the right to perform and discharge each and every obligation of the Owner contained in the Lease; and in exercising any such powers, the Trustee may pay necessary costs and expenses, employ counsel and incur and pay reasonable attorneys' fees, and the Owner will reimburse the Trustee for such costs, expenses and fees.

4. The Owner does hereby constitute the Trustee the Owner's true and lawful attorney, irrevocably, with full power (in the name of the Owner, or otherwise), to demand, receive, compound and give acquittance for any and all Payments due and to become due under or arising out of the Lease, to which the Owner is or may become entitled, to enforce compliance by the Lessee with all the terms and provisions of the Lease, to endorse any checks or other instruments or orders in connection therewith and to file any claims or take any action or institute any proceedings which the Trustee may deem to be necessary or advisable in the premises.

5. Upon the full discharge and satisfaction of all the Owner's obligations under the Security Document, this Assignment and all rights herein assigned to the Trustee shall terminate, and all estate, right, title and interest of the Trustee in and to the Lease shall revert to the Owner without further act or deed, but the Trustee shall execute and deliver such documents as the Owner may reasonably request in order to confirm, or make clear upon public records, such termination and reversion.

6. The Owner will, from time to time, do and perform any other act and will execute, acknowledge, and deliver any and all further instruments required by law or reasonably requested by the Trustee in order to confirm or further assure the interests of the Trustee hereunder.

7. The Trustee may assign all or any of the rights assigned to it hereby or arising under the Lease, including, without limitation, the right to receive any Payments due or to become due. In the event of any such assignment, any such subsequent or successive assignee or assignees shall, to the extent of such assignment, enjoy all the rights and privileges and be subject to all the obligations of the Trustee hereunder.

8. This Assignment shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania, but the parties hereto shall be entitled to all rights conferred by 49 U.S.C. § 11303.

9. The Owner shall cause copies of all notices received in connection with the Lease and all Payments to be promptly delivered or made to the Trustee at its address set forth in Section 9.04 of the Security Document, or at such other address as the Trustee shall designate.

10. The Trustee hereby agrees with the Owner that, so long as no Event of Default (or event which, with notice or lapse of time or both, could constitute such an Event of Default) under the Security Document shall have occurred and be continuing, the Trustee will not exercise or enforce, or seek to exercise or enforce, or avail itself of, any of the rights, powers, privileges, authorizations or benefits assigned and transferred by the Owner to the Trustee by this Assignment, except the right to receive and apply the Payments as provided in Paragraph 1 hereof, and that, subject to the terms of the Lease and the Security

Document, the Owner may, so long as no Event of Default under the Security Document has occurred and is then continuing, exercise or enforce, or seek to exercise or enforce, its rights, powers, privileges, and remedies arising out of subparagraph (a) of the first paragraph of § 10 of the Lease; provided, however, that whether or not an Event of Default under the Security Document has occurred and is continuing, the Owner may exercise or enforce or may seek to exercise or enforce its individual rights, powers and privileges under § 6 and § 9 of the Lease and; provided further, however, that the Owner shall not, without the prior written consent of the Trustee, terminate the Lease or otherwise exercise or enforce, or seek to exercise or enforce, any rights, powers, privileges and remedies arising out of subparagraph (b) of said § 10.

11. This Assignment may be executed in any number of counterparts, all of which together shall constitute a single instrument, but the counterpart delivered to the Trustee shall be deemed to be the original and all other counterparts shall be deemed to be duplicates thereof. It shall not be necessary that any counterpart be signed by both parties so long as each party shall sign at least one counterpart.

IN WITNESS WHEREOF, the parties hereto have caused this Assignment to be executed in their respective names, by their respective duly authorized officers, all as of the date first above written.

AMERIGAS, INC.,

by _____

[Corporate Seal]

Attest:

Secretary

CONTINENTAL ILLINOIS NATIONAL
BANK AND TRUST COMPANY, as
Trustee,

by

Vice President

[Seal]

Attest:

Trust Officer

COMMONWEALTH OF PENNSYLVANIA,)
) ss.:
COUNTY OF ,)

On this day of 1980, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a of AMERIGAS, INC., that one of the seals affixed to the foregoing instrument is the seal of said corporation and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Notary Public

[Notarial Seal]

My Commission expires

STATE OF ILLINOIS,)
) ss.:
COUNTY OF COOK,)

On this day of 1980, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a Vice President of CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO, that one of the seals affixed to the foregoing instrument is the seal of said bank and that said instrument was signed and sealed on behalf of said bank by authority of its By-laws and he acknowledged that the execution of the foregoing instrument was the free act and deed of said bank.

Notary Public

[Notarial Seal]

My Commission expires

CONSENT AND AGREEMENT

NORTH AMERICAN CAR COMPANY, a Delaware corporation ("Lessee"), the Lessee named in the Lease ("Lease") referred to in the foregoing Assignment of Lease and Agreement ("Assignment"), hereby (a) acknowledges receipt of a copy of the Assignment and (b) consents to all the terms and conditions of the Assignment and agrees that:

(1) it will pay all Payments (as defined in the Assignment), due and to become due to the Owner under the Lease or in respect of the Units leased under the Lease, directly to the Trustee in immediately available funds, to its address at 30 North La Salle Street, Chicago, Illinois 60693, attention of Corporate Trust Department (or to such other address as may be furnished in writing to the undersigned by the Trustee);

(2) subject to the terms and conditions of the Assignment, the Trustee shall be entitled to the benefits of, and to receive and enforce performance of, all of the covenants to be performed by the Lessee under the Lease as though the Trustee were named therein as the Owner; and the Lessee will not assert against the Trustee any claim or defense the Lessee may have against the Lessor under the Lease;

(3) the Trustee shall not, by virtue of the Assignment or this Consent and Agreement, be or become subject to any liability or obligation under the Lease or otherwise; and

(4) the Lease shall not, without the prior written consent of the Trustee, be amended, terminated or modified, or any action be taken or omitted by the Lessee the taking or omission of which might result in any alteration or impairment of the obligations of the Lessee under the Lease or this Consent and Agreement or of any of the rights created by any thereof;

provided, however, that this Assignment shall not, without the written consent of the Lessee, be amended in any way which would materially adversely affect the Lessee.

This Consent and Agreement, when accepted by the Trustee by signing the acceptance at the foot hereof, shall be deemed to be a contract under the laws of the State of

Illinois and, for all purposes, shall be construed in accordance with the laws of said State.

Dated as of August 1, 1980

NORTH AMERICAN CAR COMPANY,

by

Vice President

[Corporate Seal]

Attest:

Assistant Secretary

Accepted:

CONTINENTAL ILLINOIS NATIONAL
BANK AND TRUST COMPANY OF
CHICAGO, as Trustee,

by

Vice President

[Seal]

Attest:

Trust Officer